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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVII, No. 61

Section 1

December 12, 1927.

THE NEW BUILDING The Washington Post yesterday said: "Contract for the first excavation and construction work on the new central wing of the Department of Agriculture is expected to be awarded tomorrow to the English Construction Co., Inc., whose bid of \$77,500 was the lowest of the ten bids opened at the office of the Supervising Architect of the Treasury last week. The bid covers the excavation of the site between the two end wings now in use and relocation of the heating tunnels for the center wing. Under the terms of the bid, the contractor is allowed 104 calendar days after receipt of official notice of acceptance to complete the work. With an early award of the contract, the site will probably be ready for foundation construction work by the first of April...."

BANKERS TO DISCUSS AGRICULTURE The press to-day reports that the agricultural commission of the American Bankers Association will meet at Chattanooga to-day for the purpose of discussing problems of the farmer and projects for betterment of conditions in the rural districts. Among subjects to be considered are flood control, boys' and girls' farm club work, what taxation is doing to the farmer and the work of the commission in interesting bankers in the commission's agricultural program.

MCFADDEN ACT AND BANKS Reviewing the McFadden National Bank Act, which has been in operation nine months, and its relation to branch banking, J. W. McIntosh, Controller of the Currency, in his annual report issued Dec. 11 for the year ended Oct. 31, 1927, declares that although it is too early to judge its full effect, it has fully justified itself, the additions to the resources of the national banking system having more than offset the losses during the three-year period prior to the enactment of the law.

THE RADIO COMMISSION The press to-day says: "The Federal Radio Commission is now undergoing the scrutiny of President Coolidge and Congress, according to reports. The Presidential interest is said to be primarily in the replacement of the personnel of the commission, which, up to the present time, has proved a difficult and almost continuous task." A second report says: "After limping along for almost a year without adequate financial backing, it looks as if at last there were some real money in sight for the Federal Radio Commission and to carry out the work of the Radio Division of the Department of Commerce. This is indicated by the Bureau of the Budget estimates, recommending to Congress an allowance exceeding \$80,000 for the Radio Commission for the coming year and for the Radio Division of the Department of Commerce an appropriation of \$320,000 for the fiscal year beginning July 1...."

FLOOD BILL

Representative Dyer of Missouri Dec. 10 introduced a bill calling for a \$1,000,000,000 Federal fund for flood control, according to the press to-day.

Section 2

American
Savings

Over \$26,000,000,000 in savings was on deposit in the banks and trust companies of the United States June 30, 1927, an increase of \$1,368,094,000 over the same date last year, it was announced at New York Dec. 11 by the Savings Bank Division, American Bankers Association. This "gain in deposited savings of itself is not impressive," is the opinion expressed by W. Espey Albig, manager of the division, who in making the figures public pointed out that it is less than in previous years and consists mostly of accumulated interest instead of new money. He added, however, that this does not indicate a lessening in thrift but simply a diversion of savings to other forms of investment outside interest-bearing bank deposits. "A study of the relation of the number of savings depositors to the population is interesting," Mr. Albig says. "It is impossible to know what duplication exists in savings accounts, since occasionally one person may have several. However, in New England, the ratio of population to the number of savings depositors reported indicates that approximately 89 persons out of every 100 have accounts. In the Middle Atlantic States the ratio indicates that 69 out of every 100 persons have savings accounts; in the Southern States 14 out of every 100, and it must be borne in mind that in this area there is a large colored population; in the East Central States, 47, West Central States 14 and in the Pacific States 50 out of every 100 persons are indicated as having savings accounts. If the total amount of savings were distributed equally among all the people of the United States it would amount to \$220 per person. The gain over last year in savings amounts to \$9 per inhabitant, an advance of 4.3% and of 98.2% over 1918, the year when savings deposits developed their strong upward curve, which to this time has been stopped. The gain per inhabitant since 1912, the earliest year for which adequate records are available, is 150. The growth in the number of savings depositors is notable. In the thirty-six States reporting depositors in all types of banks, the increase over last year is 1,592,544, a gain of 3.9%. Of these new depositors, 506,824 can be credited to school savings, leaving a net gain of depositors from other sources of 1,085,720. The total number of savings depositors reported in banks and trust companies is 48,354,784. This figure is far short of the real number because fourteen State banking departments do not call for this information in their reports. One fact which stands out is the continued prosperity of the New England and Middle Atlantic States. New York leads with a gain of savings per inhabitant over last year of \$43; Rhode Island follows with \$34; Massachusetts is third with \$33; while Vermont with \$29, Connecticut with \$26 and New Jersey with \$24 are not far behind.

Aviation

Chair Founded Cincinnati is to have a Department of Aeronautics. A trust fund of \$5,000 a year for five years, left by Jacob G. Schmidlapp, to be used for educational purposes or national defense, will go to establish a chair of aeronautics at the university.

Cooperation

An editorial in Pennsylvania Farmer for December 10 says: "If the final solution of the agricultural problem is cooperation, it is going to be a long time before the problem is solved. Although the State and Federal Governments have urged and suggested, as well as

enacted laws promoting cooperation, the proportion of farmer members out of the total number of farmers is only about one to five in Pennsylvania. Of course, the farmers of the Eastern States are in a radically different situation from that of the farmers in other sections. Here, the products are largely of a perishable nature. Here, also, the farmers' markets are close at hand, a large part of the products being taken directly to the consumer and sold by the producer. This situation breeds a spirit of independence so that many farmers do not feel the need of aid in selling their products. The most notable exception to this general rule is the dairy business....There are a number of things in methods of production, grading and packing, and in efforts to educate the buying public, in arriving at a 'gentlemen's agreement' on prices, which are well worth meeting together for mutual understanding. By all means, let the work of cooperative organization go on until the majority of farmers belong to one or more."

Farm Merchandising A Boston dispatch to the press of Dec. 10 reports that at the meeting there Dec. 9 of the second New England farm conference, under the auspices of the New England Council, President John S. Lawrence told the delegates that too much stress can not be laid upon merchandising effort. He said: "Good selling is so important that an ordinary product well merchandised has a better chance of success than a better product that is not." He urged improvement both in the product and in the merchandising of it.

Home Trade An editorial in The Wisconsin Agriculturist for December 3 says: "The more that foreign trade is investigated the more important does the home trade seem to be. This is particularly true of farm products....As stated in The Agriculturist recently, Dean Curtiss reports little encouragement for foreign trade in farm staples. All come back convinced of the importance of maintaining the American market for Americans, for the simple reason that we operate industry and agriculture on different standards from the rest of the world. American labor draws greatly higher wages. Costs are naturally higher, not for industrial production alone, but for farm production as well. Our industries must look largely to our farms for their market. The only way to maintain our own balance of trade between classes of our own people is to give farming the same degree of protection that is enjoyed by industry. So long as farm costs of production are so high farm prices must correspond or there will not be the margin that will enable farmers to patronize industries as they should. When farmers can buy more commodities with the results of a day's work the industries will prosper more and become better patrons of farmers. So the fine cycle of patronage will develop...."

Livestock Marketing Farmstead, Stock and Home for December 1, under the title "Country Buying and Its Ultimate Effect," says: "Some radical changes are developing in the general marketing system of livestock in America. This development has been rather rapid, but its ultimate outcome may be revolutionary. The development, so far as it has gone, has been so quietly accomplished; the changes taking place so natural upon their face, that they seemed but a matter of evolution. The general public concerned has not yet really sensed the change, realized its importance or its logical outcome....It would seem at this time the packers are too concerned in immediate profits and are failing to take a logical long-time view of the marketing situation.

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They can ill afford to bring chaos into our livestock industry and they should be far too wise to kill the goose that lays their golden egg. If, in their urge to wholly eliminate competitive buying, they wreck the industry upon which they depend, it hardly would be a course of wisdom upon their part. It is time for the farmer producer to come to a realization that he has a very real interest in perpetuating the terminal markets and thus preserving an outlet for his meat animals where there is maintained a just relationship between supply and demand. He should be able to sense the danger to his interests where he is at the uncontrolled mercy of the buyer. The destruction of the terminal markets, if it occurs, means just this.... The move toward buying is yet young, it is yet in a state of development. It has so far been applied almost wholly to hogs, but as it succeeds, from the buyer's standpoint, it will, undoubtedly, be extended to other classes of livestock....Farmers and stock growers are facing a serious situation and one that deserves their best thought, and wise and concerted action...."

Surplus and Taxes The battle over the surplus in the United States Treasury has become fourfold, with the possibilities that the politician and the spender will win over the taxpayer and the saver, said T.S.Adams, professor of Political Economy in Yale University, in his delivery of the Henry Robinson Towne lecture at New York Dec. 8 before the American Society of Engineers. Mr. Adams said also that American industry must be prepared to pay heavier, rather than lighter taxes, and to cherish no illusions about further reduction of expenditures and taxation. "Investigation has shown," he said, "that since 1921 State and local taxes have increased more rapidly than Federal taxes have declined, and it is highly probable that a similar or greater increase will mark the future." Mr. Adams said that in the years 1920-1927 the Government surplus has averaged about \$340,000,000 a year, and was \$635,000,000 in 1927. "Such surpluses," he said, "are an open invitation to extravagance and to political tax cuts, by which I mean tax reduction based upon nothing more solid than a desire to win votes. The spender and the politician are awake, with keen eyes and keener appetite, and in the long run the opposition of the taxpayer is an indispensable factor in holding them in check...." (Press, Dec. 9.)

Wholesale Business Report

More than a billion dollars changes hands yearly in the wholesale business of Kansas City, Missouri, it is revealed in a report on the governmental trade census of that city published Dec.10 by the domestic distribution department of the Chamber of Commerce of the United States. Wholesale trade is three times as large as retail trade, the report discloses. Livestock is the leading wholesale business, with hay and feed second, and groceries third. Kansas City's retail expenditures total \$300,000,000 yearly, the new census shows. Census figures show that there are 1,327 wholesale establishments in 5,373 retail stores. There are 933 chain stores and 4,440 independently owned stores. Average sales per establishment are nearly \$56,000 higher than in Atlanta where the average is \$47,000, Denver with \$40,000, or Baltimore with \$33,000. Average sales in wholesale establishments are also much higher, being \$800,000, as compared with \$607,000 in Atlanta, \$444,000 in Denver, and less than \$400,000 in Baltimore and Syracuse.

Section 3
MARKET QUOTATIONS

Farm Products For the week ended Dec. 10: Butter markets were steady to firm during the week ending Dec. 9: Supplies of most desirable grades limited with coming of cold weather and possibilities of decreased production and delayed shipments also serving as active influences upon sentiment. Closing wholesale prices of 92 score butter: New York 52¢; Chicago 51½¢; Philadelphia 53¢; Boston 50¢.

Cheese markets firm at slightly higher prices. General sentiment of trade is one of confidence. There is a shortage of stocks compared to a year ago, and conditions in producing areas have not been particularly favorable during recent weeks. Wholesale prices of Wisconsin primary markets Dec. 9: Twins 27¢; Single Daisies 27½¢.

Top price on hogs at Chicago is \$8.85. Strictly choice steers were unevenly lower with inbetween grades steady. Stockers and feeders were 15 to 25 cents higher, fat she stock, 25 to 50 cents higher, bulls firm, and vealers steady. Best light and handyweight lambs were about steady with sheep and feeding lambs steady. Wholesale prices on fresh western dressed meats at New York compared with Friday were steady on veal, 50 cents higher on steer beef, steady to \$1 higher on lamb, \$1 higher on mutton, \$1 to \$2 lower on light pork loins, and steady to \$1 lower on heavy pork loins.

Potato markets generally steady. Maine sacked Green Mountains ranged \$1.90-\$2.15 per 100 pounds in eastern markets; \$1.45-\$1.55 f.o.b. Presque Isle. Wisconsin sacked Round Whites \$1.50-\$1.65 carlot sales in Chicago; \$1.30-\$1.50 f.o.b. Waupaca. New York Danish type cabbage firm at \$12-\$16 bulk per ton in terminal markets; \$7-\$8 f.o.b. Rochester. Onions ranged 10¢-50¢ higher. New York and midwestern yellow varieties ranged \$1.50-\$2 sacked per 100 pounds in consuming centers; \$1.60-\$1.65 f.o.b. Apples generally steady. New York and Michigan Baldwins closed at \$6-\$8 per barrel in Chicago. New York Baldwins sold at \$2-\$2.50 per bushel basket in New York City.

A better demand for most grains had a strengthening influence on the market and prices advanced closing about one cent higher than yesterday on most grains. December wheat closed at Chicago at \$1.29 1/4, December corn at 89¢, December oats at 52 3/4¢ and December rye at \$1.08 per bushel. December wheat at Minneapolis closed at \$1.25 1/4, Kansas City \$1.23 7/8.

Average price of Middling spot cotton in 10 designated markets declined 69 points for the week, closing at 18.71¢ per lb. December future contracts on the New York Cotton Exchange declined 70 points, closing at 18.83¢, and on the New Orleans Cotton Exchange they declined 64 points, closing at 18.90¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XXVII, No. 62

Section 1

December 13, 1927.

NEW FARM BILL INTRODUCED

The creation of a Government commission with powers to borrow up to \$500,000,000 from the Federal Reserve banks for the maintenance of a revolving fund to market surplus farm productions was proposed yesterday in a bill by Representative Christopherson of South Dakota. The commission would be headed by the Secretary of Agriculture, with the Secretaries of Commerce and Labor as vice president and secretary-treasurer, respectively. It would pay for its loans from the Reserve banks out of the proceeds of sales of the surplus products. In an effort to prevent over-production, the commission would have authority to announce its prices before the planting season. Surplus crops, including wheat, corn, rye, rice, sugar, cotton and wool, would be purchased by the commission. For tobacco, hides, mutton and beef, the commission would name "minimum prices." (Press, Dec. 13.)

OTHER MEASURES

Carrying an increase of more than \$5,000,000 over that provided by the House, the first deficiency appropriation bill was reported to the Senate yesterday by its appropriations committee. The Senate committee additions make the bill total \$203,761,435, which is to meet extra Government expenses not provided for last session.

Senator Borah, chairman of the foreign relations committee, yesterday reintroduced his resolution providing for recognition by the United States of the present government of Soviet Russia.

Representative Welch of California introduced a bill yesterday which would increase the salaries of all Federal employees in the classified service. The pay of those in the professional and scientific service would range from \$2,200 to \$10,000. (Press, Dec. 13.)

SUGAR INSTITUTE PLANNED

An Associated Press dispatch from New York to-day states that the formation of an American Sugar Institute for stabilizing the industry was decided upon there yesterday at a meeting of 100 executives of sugar companies presided over by Earl D. Babst, head of the American Sugar Refining Co. The organization, which is understood to have the approval of the Federal Government, will compile statistics, examine tariff and collect other information of general interest to the sugar industry. It will not function, it was pointed out, as a price-fixing body.

GRAPE PRODUCTS MERGER

The press to-day reports that United Grape Products, Inc., has been incorporated in Delaware to take over the properties of seven manufacturers of grape products in New York, Michigan and Ohio. The companies involved in the merger are the Angola Fruit Products, Inc., of Angola, N.Y.; Armour & Co.'s plant at Mattawan, Mich.; the Bass Islands Vineyards Company of Sandusky, Ohio; the Henry Card Company of Fredonia, N.Y.; the DuBelle Grape Products Company of Silver Creek, N.Y.; the Randall Grape Juice Company of Ripley, N.Y., and the J. Hungerford Smith Grape Juice Company of Lawton, Mich.

Section 2

Agriculture Mussolini, among his plans for the new Italy, desires more in Italy people to be farmers. Such back-to-the-land movements, although often urged, are not always responded to with great ardor, but there seems to be a magic in Il Duce's persuasive power, for, according to a report received in this country from the American Consul at Naples, the rural population of Italy has increased 1,178,731 in the last decade. The total rural population is estimated at 10,264,328, which is a little more than a fourth of the total population of the country.

Auto Trade A New Orleans dispatch Dec. 12 says: "The predictions being and Cotton made that the coming year will be one of great activity in automobile production would seem to justify the belief that the consumption of cotton will continue on a liberal scale and that the present policy of spinners in holding aloof from the spot markets and using up their surplus stocks will have to be replaced by more liberal purchases of spots in the South, where the cotton is being largely held off the market for higher prices."

Corn Sugar The press of Dec. 11 reports that a conference on proposed corn Legislation sugar legislation is to be held in Washington early in January, when Representative Cole of Iowa and Senator Capper of Kansas will discuss with experts the various provisions of their bill. The report says: "This measure seeks to recognize corn sugar on a parity with beet and cane sugar for certain purposes. Under the present law all commodities of which it is an ingredient must be marked to indicate its presence. This, it is said, is hurtful to the industry....The bill these legislators have in mind is designed to meet certain of the objections raised by Department of Agriculture officials, and they are inviting them to attend this meeting, at which also will be present some chemists and corn sugar producers from the Corn Belt...."

Cotton An editorial in The Wall Street Journal for December 12 says: "...World consumption in the past year is still a disputed matter. The Manchester estimate is 15,700,000 bales of lint, while Hester's is about 16,700,000. Experts predict that higher prices will unfavorably affect consumption. That is the teaching of experience, but the only question is whether cotton at present prices is near its worth to the consuming public. The last official report on consumption was for the three months ending with October. In that period total consumption in the United States of lint alone was 1,873,690 bales against 1,639,184 a year ago...Somebody is taking the cotton this year. The mills of Europe, to the first of this month, had taken 2,533,605 bales against 2,272,321 a year ago. This brings the total world spinners' takings a little above those of a year ago. It seems obvious that if the domestic consumption for the first three months of the season and the world spinners' takings for the first four months for which figures are available, were an index, the supply is small. But should consumption fulfill bearish predictions and go considerably below the past year the supply would be ample. All depends now upon world consumption. For the next few months that is the barometer."

Fisher on Prosperity of economic gains since 1921 means not that prosperity has come to the bulk of the American people but that widespread poverty, which has persisted among all peoples through all the ages, may soon be abolished in the United States, according to Professor Irving Fisher, Yale economist, in an article made public to-day. Reference to the average annual wage of only \$1,280, as estimated by Mr. Hoover for 1925, will convince most of us that the income of the workers is not yet an adequate indication of real prosperity, Professor Fisher asserts. At such average wage, it would require two bread-winners per family of five to meet the minimum standard of health and decency set by the United States Department of Labor. He reports the average annual wage for 1925 as \$1,385. Adjusting for changes in the buying power of money, Mr. Hoover declares that in the five years, 1921 to 1926, the real income, or purchasing power, of the average wage earner increased by 35 per cent. It is interesting to observe that the calculations made by Dr. Paul H. Douglas differ from this reckoning. At the New York meeting of the American Economic Association in December, 1925, Doctor Douglas submitted an index of relative annual real earnings or purchasing power of employed workers in American industry. Since then he has brought these figures down to 1926, showing an increase of only 10 per cent in 1925 over 1921 and 12 per cent in 1926 instead of the 35 per cent increase in 1925 claimed by Mr. Hoover. But the best estimates show an increase in real income of 36 per cent in 1926 over 1921 for the Nation as a whole. This increase in real income for the Nation is reckoned from a year of depression and 'hard times.' Even so, it represents the most astonishing gain in real income yet shown by any nation. If this rate of gain continues for the period of 1927-31, inclusive, poverty will virtually be abolished in this country...."

Food Prices in Europe A recent survey of food prices in Europe has disclosed that they are slightly lower than prices for the same food commodities in the United States, according to an announcement of the results of the survey Dec. 11 by the National Industrial Conference Board. A Philadelphia housewife who pays \$1 for a market basket of food, if making her purchases in corresponding circumstances in Paris and living as a Parisian in her circumstances would live, would have to pay only 70 cents to fill her market basket. She would pay 90 cents in Rome, approximately 80 cents in Vienna, 75 cents in Stockholm and Berlin, 73 cents in London, 70 cents in Brussels and 60 cents in Amsterdam. "These figures, however, are based primarily upon European standards of living," says the Conference Board's report, "and it is likely that the American living abroad, ordering exactly the same dinner in a Paris restaurant that he would eat at home, might even pay considerably more than at home."

Production and Population Harvard, issues the first of a series of articles on production and population in The Magazine of Business for December. The problem of physical existence is the problem of food, he says. Densely populated areas seem to be self-supporting whereas, as a matter of fact, they are deriving their subsistence from vast areas by means of their transportation systems. It is doubtful if a country like England could live from the produce of its own soil. Even if the whole of England could live on its own soil, it is quite certain that the city of London,

in the present state of science, could not live on the produce of the soil comprised within its limits. But, in proportion as it gets its food from other areas, it reduces the number of people who can live in those areas on their own native products. Even before the absolute limit of food production on a given area is reached, there is a gradual weakening of nature's response to man's efforts to increase that production. You can not go on increasing the yield in exact proportion as you increase the labor employed in cultivation until you reach the absolute limit, and then suddenly find that no further increase is possible. Therefore if the birth-rate continues to exceed the death-rate, it is mathematically certain that the pressure of want will again be felt by any people who try to live from the produce of a given area. Migration and labor are not only the most primitive of the methods of extricating ourselves from the circumstances that bring want; they might be said to include all others, except birth control.

Section 3

Department of

Agriculture

1 "Farm Relief That May Come True" is the title of an article in American Review of Reviews for December, which says in part: "There is small comfort for the farmer in most plans made for him. He and the rest of the country are a little tired of analyses of farm problems that improve the situation not one whit, and of farm relief proposals that never get anywhere. But lately hope for definite and intelligent action by the new Congress has been revived. William M. Jardine, Secretary of Agriculture, has a farm relief plan that is the product of careful research and is considered workable by many." (Then follows an outline of the Jardine plan as presented in The Oklahoma Stockman and Farmer.)

2 Price Current-Grain Reporter for Dec. 7 says: "The Department of Agriculture announces that it has mailed 560,000 questionnaires to farmers, the purpose being to secure information that will make its final crop report more accurate. To mail out a questionnaire of this size and then to analyze and tabulate the replies is a tremendous undertaking. It means reaching about one farmer out of ten, from one end of the country to the other....The actual facts as to this year's production are what the country wants and the right kind of a questionnaire, as large as is this one, would unquestionably bring them out."

3 An editorial in The Iowa Homestead for December 8 says: "The grading of prime and choice carcasses of beef and the marking of these grades by the Federal Government was begun several months ago. The demand for graded and stamped beef is growing because when both halves of a carcass are officially stamped the consumer knows that a steak or roast cut from such carcasses are 'prime' or 'choice' meat, as the case may be, and that he gets the kind of meat he orders....Demand for graded beef from retailers, hotels and railroads is growing even more rapidly than those who initiated the service anticipated....That this grading will increase demand for the better grades of beef seems already quite certain and for that reason it should prove of advantage not only

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to the consumer but also to the producer of beef. It will undoubtedly result in the production of a larger percentage of high class beef, such as can be produced only with well bred and well fed cattle...."

Section 4
MARKET QUOTATIONS

Farm Products Dec. 13: Top price on hogs at Chicago is \$8.65 or 35¢ less than a week ago. Beef steers were uneven, the better grades declining 50¢ to 75¢ with lower grades steady to 25¢ higher. Heifers were 25¢ higher to 25¢ lower with cows showing unevenness. Vealers were about steady, while heavy calves, stockers and feeders and feeding lambs remained steady. Fat lambs and yearling wethers were steady to 15¢ lower and sheep 25¢ higher. Wholesale prices on fresh western dressed meats at New York were steady on good grade steer beef, mutton and veal, \$1 higher to \$1 lower on lamb, \$3 to \$4 lower on light pork loins and \$1.50 to \$3 lower on heavy loins.

Potatoes steady to firm. Maine sacked Green Mountains sold at \$2-\$2.25 per 100 pounds in eastern markets; \$1.50-\$1.55 f.o.b. Presque Isle. Wisconsin sacked Pound Whites \$1.50-\$1.65 carlot sales in Chicago. Cabbage firm. New York Danish type sold at \$10-\$18 bulk per ton in terminal markets; mostly around \$8 f.c.b. Florida and South Carolina pointed type brought \$1.25-\$1.50 per 1½ bushel hamper in eastern markets. New York and midwestern yellow onions 10¢-30¢ higher at \$1.65-\$2.30 sacked per 100 pounds in consuming centers; \$1.65-\$1.70 f.o.b. Rochester, New York. Apples generally firm. New York Baldwins ranged \$1.75-\$2.75 per bushel basket in eastern cities; \$6.50-\$7.50 per barrel in New York City. Michigan Jonathans \$3-\$9 in Chicago.

Average price of middling spot cotton in 10 designated markets declined 90 points for the week, closing at 18.17½ per lb. December future contracts on the New York Cotton Exchange declined 90 points, closing at 18.30¢, and on the New Orleans Cotton Exchange they were down 81 points, closing at 18.37¢.

Closing wholesale prices of \$2 score butter; New York 52¢; Chicago 51½¢; Philadelphia 53¢; Boston 50¢.

The market for wheat and corn was slightly weaker influenced by the absence of an export demand for wheat and more favorable weather for marketing corn. December wheat closed slightly lower at \$1.28½ at Chicago. December wheat at Minneapolis closed at \$1.24 7/8, at Kansas City \$1.23 1/8. December corn closed at Chicago at \$8 1/4, December oats at 53¢ and December rye at \$1.07 1/4. (Prepared by Bu. of Agr. Econ.)

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Vol. XXVII, No. 63

Section 1

December 14, 1927.

DEFICIENCY BILL PASSES SENATE The first deficiency bill was passed by the Senate yesterday. It now goes to conference. As passed by the Senate, the bill calls for appropriations totaling \$210,000,000, about \$12,000,000 more than was carried in the bill when it passed the House. (Press, Dec. 14.)

GRAIN FUTURES ON N.Y. PRODUCE EXCHANGE The New York Times to-day reports: "Trading in December wheat on the New York Produce Exchange came to an end yesterday, when all open contracts were evened up, because of the lack of interest and the gradual decline in business. William Beatty, president of the exchange, said it was hoped that trading had been discontinued only temporarily. Dealings in grain futures were resumed here in August, 1926, after having been suspended since the war time Government control of markets. A few weeks ago the exchange suspended its quotation service to other cities, and the falling off in business at that time was so acute that the discontinuance of all trading was foreshadowed. The exchange first eliminated oats from its grain futures dealings, and later confined all wheat trading to the December delivery, which in turn has been discontinued. Most of the old grain traders have given their full interest to the active cottonseed oil market, in which dealings range from 20,000 to 45,000 barrels daily."

LEARNED SOCIETIES TO MEET HERE The press to-day reports that more than 2,000 historians, economists, political scientists, sociologists, statisticians and others interested in these or closely related fields of study will assemble in Washington on Dec. 27 to take part in annual meetings, lasting four days, of seventeen national associations under the auspices of the American Council of Learned Societies, it was announced yesterday by Waldo G. Leland, permanent secretary of the council. The programs comprise nearly 300 papers or discussions, ranging from "History of the Ancient Mediterranean People" and "Roman Imperialism" to "Farm Relief," "Stabilization of Money" and "Statistics of Crime." Among the speakers will be President John C. Merriam of the Carnegie Institution of Washington; Bishop Shahan, rector of the Catholic University of America; Dr. Henry Osborn Taylor of New York, president of the American Historical Association; Prof. Thomas S. Adams of Yale University, president of the American Economic Association; Dean Edmund E. Day of the University of Michigan, president of the American Statistical Association; Robert S. Rait, Historiographer Royal, of Scotland; Prof. William B. Munro of Harvard University, president of the American Political Science Association, and Prof. William I. Thomas, president of the American Sociological Society.

MISTLETOE IMPORTATIONS The Associated Press to-day reports from New York that dealers announce a shortage of mistletoe in the South, which has forced them to turn to Holland and other European lands for their supply.

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Section 3

Babson on Farm Economics An editorial in The Nebraska Farmer for December 10 says: "Speaking in Omaha last summer, Roger Babson, the well known New England economist, said in effect that if he were a Nebraska farm boy, he would 'pack his grip and leave the farm unless conditions improved.' Recognizing that 'the farm continues to be the principal subject of discussion in Pullman smokers,' Mr. Babson seems to have made a further and more intelligent study of the agricultural situation, and in a recent article to the press states that according to information he has received from seventy-eight leading centers in all parts of the United States, farmers of the country are making more money....The eminent economist then sets forth his views based upon observation and economic study of what some of the underlying principles of agricultural progress really are. He says: 'Two facts stand out strongly: The greatest prosperity has come where the farmers are organized to market their own produce, and where the farmers are adopting progressive methods and labor saving machinery. Big business has learned the value and necessity of cooperation. It is also prospering through labor-saving machinery. Millions of dollars could be saved by the farmers of the Cotton belt if they could market their crops themselves through cooperative associations....As I have stated many times before, most farmers use too much man-labor and not enough work-stock and labor-saving equipment. A farm is only one form of factory and hence requires the most efficient equipment and management.' Mr. Babson then ventures the opinion that if he were a farmer to-day, dairying and poultry raising would make a strong appeal to him. Conditions throughout the country are generally favorable to dairying, and the same is true of poultry raising...."

Canadian Butter An editorial in The Grain Growers' Guide (Winnipeg) for December 1 says: "This year's Royal Show at Toronto has been something in the nature of a semicentennial, celebrating the progress of agriculture since the scattered provinces of Canada joined hands. It is very gratifying to westerners to know that at such an exhibition, where the best that can be found in every corner of the Dominion meets for competition, western livestock and livestock products, no less than western grains, can establish a reputation for quality to match the growing volume of production....One interesting feature of the Royal was the return of Ontario in the butter prize lists. For many years western butter has borne away the palm because in these provinces producers were encouraged, through cream grading, to send a superior raw commodity to the butter makers. For years public sentiment in Ontario held out against the principle of cream grading and was satisfied with butter of poorer quality. More recently grading has been established in that province and the results are abundantly evident in the competition at the Royal this year...."

Farm Accounting Lessons An editorial in The Nebraska Farmer for December 10 says: "More than five hundred farmers have made application through The Nebraska Farmer for enrollment in the farm accounting school offered by The Nebraska College of Agriculture with the cooperation of The Nebraska Farmer. Mason Yerkes of the Agricultural College is presenting a series of lessons in farm accounting through the columns of this paper and supplementing them with radio talks over Station KFAB. All who enroll will receive a farm accounting book which they are to fill out according to the instructions by Mr. Yerkes and later send

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in to him to correct and summarize. There is still time to enroll in this course. There is no charge for it....We commend these farmers for adopting such a practical and self help plan to make their business more profitable and comparable in analysis with any business. The cost is nothing but a little effort and interest in keeping the records accurately."

"Farm Aid" . Glenn W. Birkett writes on farm relief from the standpoint of a Wisconsin farmer in the Atlantic Monthly for December. In his 3-page article Mr. Birkett attempts to point out the contradictions in the farm relief program. He says in part: "....Farm aid apparently, then, means more cultivated land and increased production; also, less cultivated land and decreased production. By its magic the Government can put a million into reclaiming an area which is worth less than a million after reclamation. It can be used for high tariff for manufacturers, because such ensures high wages and food-purchasing power of urban cities. But it is not incongruous to use it for low tariff, because such means cheaper goods to the farm....The one function which my kind must perform, inefficiently or otherwise, is to raise the taxes which keep those who insist we have too few acres, too little competition and no efficiency.....When farmers were hard hit far less was said about farm aid than now....The disappearance of land from cultivation is in itself farm aid....While the Government spends millions to increase production, simultaneously with its expenditures for figuring how to dispose of the results of overproduction, manufacturers use the phrase 'farm aid' to decrease consumption. The tractor is listed by its makers and sellers as farm aid....I owned a tractor for several years. To me it can not compare in efficiency, cheapness and even average speed with horses. There are many of us whose sole means of living is directly from the soil who believe we ought not to be hampered by Government reclamation schemes and resettlement projects. We believe it is unjust and uneconomic to insist upon overproduction. ...And we believe that the use of the Department of Agriculture to stimulate production and the Department of Labor to justify overproduction is unfair as well as uneconomic. 'Farm Aid' and allied phrases are sacred. Their function is odd. Briefly, it is to create, aggravate, and perpetrate the evils they propose to overcome."

Flood Results According to the savings bank division of the American Bankers Association, the destructive flood in the Mississippi Valley has its echo in the report from Arkansas, which during the past year had a gain of savings per inhabitant of but 2.7%, against an annual average percentage gain of 29.5 since 1912, the highest of any State in the United States; also Missouri suffered loss both in savings accounts and in time certificates of deposit; Louisiana, although increasing the amount in savings accounts slightly over last year, lost a much greater amount in time certificates of deposits; and Mississippi registered a gain per inhabitant of but 5.9% over the previous year, although the average annual gain per inhabitant since 1912 was 23.6, being second only to the gain in Arkansas.

Marketing

An editorial in Hoard's Dairyman for Dec. 10 says: "It seems strange that farmers with an investment of twenty to thirty thousand dollars in their farms and equipment hesitate to invest a dollar in a plant for processing and marketing their products. Anyone who has given this matter attention can clearly see the weakness of such an attitude, and why farmers, on the whole, are in such a disadvantageous position for marketing their products. No farm is organized upon a proper basis or is the farmer in position to take advantage of market conditions, unless he has the equivalent of 10 per cent of his investment in his production plant devoted to distributing and marketing his products. This, in substance, is a statement made to us by W.S. Moscrip, a successful breeder and farmer in Minnesota. Mr. Moscrip has also had long experience in the development of cooperative enterprises and is a director of the Twin City Milk Producers' Association, one of the best operated cooperative organizations in the country. The problems of agriculture will never be solved so long as the farmer is contented to interest himself only in production. All branches of agriculture must arrange to market a considerable percentage of their products cooperatively; or, in other words, to place themselves in control of processing and marketing a sufficient percentage of their products so they will be a substantial force in helping to determine the market value of their products. Farmers have the same rights to determine market prices of their products as the manufacturers have to determine the market value of their products. It is not so necessary for manufacturers to cooperate for the purpose of taking advantage of market conditions as it is for farmers to cooperate. No one farmer produces any product on a sufficiently large scale to make him a commanding agency in marketing his product. In order to place agriculture upon a basis comparable to other industries it is essential that the farmer invest sufficient capital in plants for processing, holding, and distributing his products."

National Farmers'
Union on
Tuberculosis

An editorial in Hoard's Dairyman for December 10 says: "The National Farmers' Union at its recent annual convention held at Des Moines, Iowa, passed the following resolution: 'We declare that the present methods of testing cattle for tuberculosis are unfair, unreliable, and illegal, and suggest that pasteurization of milk at low temperatures would prevent any possible injury to health from the use of milk from tubercular cows.' We wonder if this resolution expresses the opinion of the majority of members of this farm organization. We can't conceive that it does. In the several States where the membership in the Farmers' Union is the largest, there is a very small percentage of tuberculosis, and the expense of eradicating it now would be very small compared to what it will be if testing is deferred until the herds grow larger and dairying becomes a more intensified industry. We are shocked at a leadership in any organization that would pass a resolution of this character, and it leads us to wonder just how far it is safe to follow them in other matters directed to the proper development of agriculture...."

Yale Forest

The press of Dec. 11 reports that through the voluntary cooperation of Harvey S. Firestone and his son, Harvey S., jr., the Yale University School of Forestry will soon begin an extensive study of the various types of woods found in the virgin forests of Liberia, specimens of which, Prof. Samuel L. Record of Yale said, will be sent to the forestry school from the Firestone Company's 1,000,000-acre plantation in Liberia.

Section 3
MARKET QUOTATIONS

Farm Products Dec. 13: Closing wholesale prices of 92 score butter:
New York 52¢; Philadelphia 53¢; Boston 50¢.

Top price on hogs at Chicago is \$8.65. Prices on other classes of livestock are as follows: Beef steers choice \$17 to \$17.75; good \$13.25 to \$17.25; medium \$10 to \$13.75; common \$8 to \$10.25; heifers, good and choice \$10.25 to \$14; common and medium \$7.50 to \$10.50; cows, good and choice \$8.25 to \$11; common and medium \$6 to \$8.25; low cutter and cutter \$5 to \$6; vealers, medium to choice \$12 to \$14.50; heavy calves, medium to choice \$7 to \$10; stockers and feeders, common to choice \$7.75 to \$12; fat lambs, medium to choice \$13 to \$14; yearling wethers, medium to choice \$9.75 to \$11.75; fat ewes, common to choice \$4.25 to \$7; feeding lambs, medium to choice \$12.50 to \$14.

Maine sacked Green Mountain potatoes sold at \$1.90-\$2.15 per 100 pounds in eastern markets; \$1.55-\$1.60 f.o.b. Presque Isle. Northern Round Whites \$1.40-\$1.65 carlot sales in Chicago. New York and midwestern yellow onions ranged \$1.50-\$2.40 sacked per 100 pounds in consuming centers. New York Danish type cabbage sold at \$10-\$20 bulk per ton in terminal markets; \$7-\$8 f.o.b. Rochester. South Carolina pointed type \$1.25-\$1.50 per 1½ bushel hamper in a few cities. New York Baldwin apples ranged \$1.75-\$2.75 per bushel basket in eastern markets; mostly around \$2 f.o.b. Rochester. New York and Michigan Rhode Island Greenings \$9.50-\$11 per barrel in Chicago.

Average price of Middling spot cotton in 10 designated markets declined 12 points, closing at 18.06¢ per lb. December future contracts on the New York Cotton Exchange declined 12 points, closing at 18.18¢, and on the New Orleans Cotton Exchange they were down 15 points, closing at 18.22¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

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Section 1

December 15, 1927.

LINDBERGH ON WEATHER BUREAU Col. Charles A. Lindbergh, writing of his flight to Mexico, in The New York Times to-day, says: "The Weather Bureau did not promise me good weather, but they did say that it was not an impossible bar to the flight. They were entirely accurate....The Weather Bureau had predicted fog, showers and rain. They were all waiting for us...."

TAX LEGISLATION The press to-day reports that two major voting engagements in the House yesterday resulted in the retention of the Federal inheritance levy in the revenue bill and the complete elimination from the measure of the sales tax on automobiles.

BUILDING LEGIS-LATION The House committee on public buildings and grounds decided to report favorably to-day the Reed bill providing that another \$100,000,000 be added to the Federal building program throughout the country.

The committee also voted to make a favorable report on the Elliott bill to authorize an appropriation of \$25,000,000 for the purchase of the triangle between Pennsylvania Avenue and the Mall. (Press, Dec. 15.)

MODEL FARM PLAN Legislation authorizing the Interior Department to direct and plan the settlement and management of model farm communities to be established in the South was recommended by Dr. Elwood Mead, Commissioner of the Bureau of Reclamation, to the southern reclamation conference yesterday, according to the press to-day. An intensive study of seven tracts already established in North Carolina, South Carolina, Georgia, Florida, Alabama and Mississippi will occupy the greater part of the two-day program.

ARKANSAS GOVERNOR ON FLOOD PLAN That communities in parts of the flood-stricken areas of Arkansas, Mississippi and Louisiana have become so impoverished that it is impossible for them to pay even their existing obligations, was the assertion at Washington last night of Governor John E. Marteneau of Arkansas, chairman of the Tri-State Executive flood control committee. Governor Marteneau declared that the flood control plan of the Army Engineers was impracticable. (Press, Dec. 15.)

FARM HORSE WINS ENDURANCE TEST The New York Times to-day reports that covering eighty miles of mountainous roads in 8 hours 56 $\frac{1}{2}$ minutes, the registered Morgan mare, Jana, won first place among eight contestants in the endurance ride recently held at Brandon, Vt. Jana is a 5-year-old chestnut owned by the U.S. Morgan Horse Farm, Middlebury, Vt., having been previously used in farm work and trained only a short time for this ride.

**American
Income****Section 2**

An editorial in The New York Times for Dec. 10 says: "One factor in the higher well-being of the American people is the family income other than that of the chief breadwinner. Taking the present average wage it is argued by Professor Irving Fisher that two wage-earners per family of five are needed to attain the family standard set by the Department of Labor. But counting the family at five members, the required two wage-earners would seem to have been reached in the census of 1920. The population of the continental United States in that year was 105,000,000, which would indicate 21,000,000 families. The number of persons gainfully employed was 41,641,000, which is almost exactly double. Actually the Fisher estimate of the size of the family is too high. In 1920 there were 24,351,000 families, which would make the average 4.3 persons. And the number of wage-earners divided into the number of families would give 1.7 income producers per family....For the increased family income it is the women who are responsible. In 1880 the gainfully employed among all males over the age of 10 was 78.7 per cent of the total number. By 1920 there had been an actual drop to 78.2 per cent. But in the same period the women gainfully employed rose from 14.7 per cent of the entire female population over the age of 10 to 21.1 per cent. In forty years the number of women in industry, relatively to the population, had increased by 50 per cent. That ratio may show by the next census a slight decline, since 1920 might still have felt the effect of the war years, when women entered the gainful occupations in exceptional numbers. But there seems to be no doubt that the long-distance invasion of industry by women will continue. Easy generalizations about the spending ability of American women will thus have to be corrected by what they have actually done to raise the family income...."

British Trade

A London dispatch to the press Dec. 14 reports that November's overseas trade returns, setting a new record in exports since the middle of 1924 and marking the fifth consecutive month in which an increase has been reported, aroused business men in the financial neighborhood of London Dec. 13 to considerable jubilation. Government bonds, a sensitive indicator of the warmth of London's enthusiasm over the new trade prospect, were a shade higher. Particular satisfaction was expressed that the increase had been achieved despite the break with Russia and a considerable loss in the Chinese market. The persevering Dominion markets and South America were considered large factors in the triumph. There was satisfaction, too, that November's increase was largely in manufactured goods, the exports of coal being practically what they were in 1925, the year before the strike. Foreign buyers of manufactured iron and steel took over 1,000,000 pounds more than they did in 1925. Machinery shipments rose about 15,000,000 pounds. Woolen exports expanded 1,250,000 pounds. Cotton yarn and goods increased more than 1,000,000 pounds and other textile exports 750,000 pounds. These items form the backbone of the British export trade historically and all show a big improvement.

**Cotton Pickers
and Harvest-
ers**

An editorial in The Wall Street Journal for Dec. 14 says: "Mechanical picking and mechanical harvesting of cotton have been developed to the point where success seems assured. This means further extensive development of cotton raising on the plains of Texas

1. *Leucania luteola* (Hufnagel) *luteola*
2. *Leucania luteola* (Hufnagel) *luteola*
3. *Leucania luteola* (Hufnagel) *luteola*

that will make that section a formidable rival of the Eastern States. According to the Dallas Morning News, some 300 interested persons were at the recent demonstration of picking machines and harvester sleds at Lubbock, in northwestern Texas....There were six different makes of sleds in the demonstration, and all did work that would make them cheaper than hand labor. They were not tested under ideal conditions. There had been no frost to kill off the leaves. Nevertheless the stripping of the bolls was satisfactory. One of these machines stripped 96.55 per cent of all the bolls on the plants. When the rapidity with which a machine gathers the bolls is considered 3.45 per cent of wasted cotton is a trifle in comparison with what it would cost for hand labor to gather what the machine did. There was only one picker machine in the demonstration. This picked only 58.98 of the cotton. That, of course, is not enough, but the company developing this machine is putting money into it and will eventually triumph over the difficulties, we may rest assured....Sledding at least is already here, especially on the plains of western Texas where there are millions of acres of raw land yet to be put under cultivation. As it costs about \$1.50 to pick 100 pounds of seed cotton which, when ginned, will produce about 35 pounds of lint, it is easy to see about what hand picking means in the cost of a bale of cotton. A machine that will strip off the bolls, supplemented by one that will open and pick the cotton at the gin, means a great reduction in the cost of production...."

Game Conservation The Florida Times-Union for Dec. 10 reports that in an interview in Florida at Tallahassee, Commissioner Royall gave out information that State game refuges have been established so far in thirty-five counties, and added that in every instance hearty cooperation had been accorded State officials by residents when it was realized what was being done. It is stated that in addition to the refuges, which are merely tracts set apart for a time to enable the wild life to multiply, there will be secured in some sections larger tracts that can be converted into permanent game preserves. These properties would belong to the State and provide a place where wild life could be allowed to increase indefinitely. Commissioner Royall mentioned a large tract in Sarasota and Manatee Counties, through which the Miakka River passes. Here it was thought would be a splendid location for a permanent preserve. The report adds: "A feature that is not fully appreciated in regard to protection of wild life is that much of it is really beneficial to the people; this referring particularly to insectivorous birds. That the wild birds of the State do a great deal for the people in destroying insect pests is but slightly understood, but is nevertheless a fact."

Indians Attend An Ithaca dispatch to the press of Dec. 11 reports that 40 Cornell Indian farmers from the reservations in New York State are attending Talks the State College of Agriculture at Cornell University for a week of instruction from December 12 to 17. The lecture and practice periods at the college will be given by the members of the Indian extension staff, who have been conducting meetings and demonstrations for the last six years on the reservations, in cooperation with the Indian farmers. Professors J. H. Barron, G. W. Peck, C. R. Crosby, H.J. Metzgar, H.G.Krum, I.F.Hall and others will discuss farm crops, fruit, insects and insect control, cattle, poultry, farm management and other topics. Professor Henry Asmus, of the State College of Veterinary



Medicine, will be in charge of instruction in horse shoeing. There are about 6,500 Indians on the six New York reservations, which embrace some 87,000 acres of land. These tracts or reservations, owned by the Indians themselves, are areas reserved from their ancient domain by treaties made after the Revolution. These Six Nations Indians were noted for their agriculture, which was superior to that of any other eastern Indians at the time Champlain and Hudson entered their country from Europe.

Rural Press Jesse Frederick Steiner of Tulane University contributes an 11-page article on "The Rural Press" to The American Journal of Sociology for November. The author divides the periodical publications in the rural field into three classes: agricultural journals, rural organization periodicals, and weekly newspapers, the combined circulation of which exceeds that of the large city dailies. The country weekly newspapers are still widely read and are most numerous in the North Central States. The militant type of country weekly is being superseded by a less partisan paper that caters to the needs of the entire community. The Chapel Hill Weekly represents a successful type of village newspaper which makes itself indispensable through its attractive presentation of local news. The vast majority of country weeklies still use boiler plate and are poorly edited. Such papers are not of great value as socializing forces and are finding it increasingly hard to compete with city dailies.

Sugar Institute The press Dec. 14 reports from New York that although in an announcement on Monday it was said that the conferees were organizing a "sugar institute," it was pointed out in trade circles that such an organization was not strictly comparable to those maintained by the steel and copper industries. The new sugar organization will be a trade association. As such, it is expected that one of its initial important efforts will be to eliminate unsatisfactory practices that have grown in the trade since sugar markets became disorganized by oversupply some years ago. Elimination of these practices is expected to overshadow for a time activities such as stimulation of sugar consumption by the general public. The report says: "There is now in existence the United States Sugar Association. This represents some leading refiners and in the past has agitated on the sugar tariff. The activities of this association may be absorbed by the new organization."

Section 3

Department of

Agriculture An editorial in Western Breeders Journal for December 1 says: "We notice that the grading of meat that was authorized last year has become so much in demand that the United States Department of Agriculture hasn't enough men available, or sufficient funds at its disposal, to take care of the requests for meat graders. We have had much to say regarding 'Truth in Meat' and are very gratified that it has proved to be popular, even in its modified form of only the three grades of 'prime,' 'choice' and 'good.' Unquestionably this better beef movement has had much to do with the greater demand and the advance in price of the better grades of meat in recent months. In our opinion, if the scope of grading and marking meat should be widened to take in all grades of beef, and more especially the poorer grades, there would be a still greater demand and better prices for the better grades...."

December 15, 1927.

Section 4
MARKET QUOTATIONS

Farm Products Dec. 15: Quotations on practically all grades and classes of livestock at Chicago are on a lower basis than a week earlier. The top on hogs at \$8.45 showed a 45 cent decline from previous Wednesday. Most grades of beef steers are 25 to 50 cents lower with good and choice heifers showing like decline. Cows are off about as much, vealers are 50 cents lower, stockers and feeders unchanged to a quarter lower, fat lambs of handyweight around steady with heavy lambs, feeding lambs and yearling wethers unevenly lower. Matured sheep prices have been maintained. Wholesale prices on fresh western dressed meats at New York were 50 cents to \$1 lower on good steer beef, unchanged on good veal and mutton, and steady to \$1 higher on good grade lamb compared with a week earlier. Light pork loins are \$2 to \$3 lower and heavy loins \$1.50 to \$2 lower than a week ago.

Potato prices fairly steady in city markets; many growers and shippers holding for higher prices. Maine sacked Green Mountains ranged \$1.90-\$2.15 per 100 pounds in eastern cities; \$1.50-\$1.55 f.o.b. Presque Isle. Wisconsin sacked Round Whites \$1.50-\$1.65 carlot sales in Chicago. New York Danish type cabbage firm at \$10-\$18 bulk per ton in terminal markets; \$7-\$8 f.o.b. Rochester. Florida pointed type \$1.25-\$1.75 per $1\frac{1}{2}$ bushel hamper in a few eastern cities. New York and midwestern yellow onions firm at \$1.50-\$2.40 sacked per 100 pounds in consuming centers; \$1.70-\$1.80 f.o.b. Eastern York Imperial apples firm at \$5.75-\$6.25 per barrel in New York City. New York and Michigan Rhode Island Greenings steady at \$9.50-\$11 in Chicago.

Closing wholesale prices of 92 score butter: New York 52¢; Chicago 51¢; Philadelphia 53¢; Boston 50¢.

Average price of Middling spot cotton in 10 designated markets advanced 51 points, closing at 18.38¢ per lb. December future contracts on the New York Cotton Exchange advanced 39 points, closing at 18.57¢, and on the New Orleans Cotton Exchange they were up 33 points, closing at 18.55¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XXVII, No. 65

Section 1

December 16, 1927.

THE TAX BILL By a vote of 366 to 24, the House yesterday passed the tax bill calling for a reduction in taxes of \$289,770,000, a slash \$64,779,000 greater than was recommended by Secretary of the Treasury Mellon. Three important amendments were retained in the bill on the final vote. One amendment provided for repeal of the tax on automobiles, another reduced the tax on corporation incomes under \$15,000 and the third prevents parent and subsidiary corporations from filing "affiliated" returns. (Press, Dec. 16.)

FARMERS' MARKET The District of Columbia Commissioners yesterday recommended to Congress either the proposed Southwest site for a new farmers' produce market at Washington, or temporary location on the Mall between Sixth and Seventh Streets northwest, and immediately South of the foundation for the Victory Washington Memorial Building.

CHINESE BREAK WITH RUSSIA A Shanghai dispatch to the press to-day says: "Swift action following the Kuomintang Central Executive Committee's decision to break with Soviet Russia resulted yesterday in the Nationalist Government formally severing all relations, diplomatic and commercial, with Moscow...."

LINDBERGH ON AIRLINE COMMUNICATION Col. Charles A. Lindbergh, in his letter from Mexico City to the New York Times to-day, says: "There is one thing which has appealed to me as the result of flying over Mexico, and that is the great necessity for air-line communication here. The country is so wild, and the mountains make travel by road or train so difficult and long, that airways will bring the States of Mexico and the States of all Central America closer together. I heard to-day that it would have taken eighteen hours to travel over the route which I followed from the central part of Mexico to the Capital, and by airplane it was only a matter of two or three hours. There is a great need for aviation in Mexico and ideal conditions for its development. Airways flourish when they offer a means of quicker communication and they offer that in this country more than any I have ever seen.... Flying conditions down here are very unusual, and my getting so thoroughly lost yesterday proved that there is necessity for more careful study of the country over which an airplane must go."

AIRPLANE PRODUCTION Airplane production in the United States has reached a new peak thus far in 1927, the Commerce Department announced yesterday, as it began to make a statistical analysis of the industry. In 1926 American manufacturers produced 1,186 airplanes, and during the eleven months of this year reports from one-third of the airplane builders indicate a production of 1,525 planes, with 1,239 unfilled orders on hand.

Section 2

Bank on
Farming

A primary issue in American agriculture is the problem of mechanization and market, says the New York Trust Company in a survey in its monthly review of trade of the farm situation. Machinery is said to be needed to take the place of the declining number of laborers and to reduce the costs of farming so as to increase the profit margin, and a better system of marketing is needed to lessen the expense of distribution and to dispose of export surpluses. The bank points out that while every other branch of activity in this country has been studied with care and brought to its highest state of efficiency, agriculture has been allowed to shift for itself. "All other producers have been able to achieve comparative stability of price," continues the survey, "and are able to forecast future conditions with a fair degree of accuracy, but the farmer, buying 10 per cent of the manufacturer's output, so far has not obtained control over his market or his prices and has only limited means of ascertaining the demand for his products in advance, due to changes in weather conditions and their effects on foreign production."

British Govern- On October 1, there were 299,344 persons on the staffs of ment Employees Great Britain's Government departments, a decrease of 880 from October 1 of last year, according to advices transmitted to Bankers Trust Company of New York by its British information service. Of this total 226,211 were men and 73,133 were women. The total is subdivided into two parts--headquarters staff and exheadquarters staff, having respectively 51,213 members and 248,131 members. The greatest number of workers are employed in the Post Office--140,364 men and 51,611 women. It was found necessary to increase the Post Office staff by 2,684 since last October due to the growth of postal work. The staffs of the inland revenue department and the customs and excise department bring the total workers in revenue departments up to 223,592-- 167,882 men and 55,710 women. In the socalled defense departments, that is the Admiralty, War Office and Air Ministry, there are 14,285 employed--12,537 men and 1,748 women. In all other departments there was a decrease in the number employed amounting to 4,051, from 65,518 to 61,467. The larger portion of this decrease took place in the Ministry of Labor, which decreased its staff from 16,457 to 13,962 on October 1 of this year; and a decrease of 1,932 in the Ministry of Pensions, bringing the total down to 8,271.

Business and An editorial in Farm and Ranch for December 10 says: ".... Agriculture Chambers of commerce are rapidly getting out of the ballyhoo class and are getting down to constructive work. It was not so many years ago that a secretary of a chamber of commerce based the importance of his year's work upon the number of date lines he managed to secure in the daily papers of the State. He was a reporter--a publicity man. Most of us can remember when the chamber of commerce slogan was 'More smokestacks.' To-day, the energies of most secretaries are applied to the development of agriculture. No doubt many efforts along agricultural lines are misdirected, but secretaries who cooperate with county agents are getting results. They are becoming better informed, and if they have a genuine sympathy for those who dig wealth out of the soil they can render excellent service...."

December 16, 1927.

Farm Relief and Flood Control "You may take your choice among newspaper dispatches and the opinions of various agencies watching affairs at Washington as to whether the seventieth Congress will display the ripe wisdom of three score years and ten, or a case of senile decay....Congress will surely do something by way of flood control, and the hope is that it may do something constructive at the source rather than try to bail out the lower Mississippi with a bucket. Farm relief, like flood control, has grown from a sectional to a national issue. Related to both are the Government's uncertain position on Muscle Shoals, Boulder Dam and other power projects, and irrigation." (The Survey, Dec. 15.)

Prosperity Makers "Rich Men and Key Men" is the title of an article by Samuel Strauss in The Atlantic Monthly for December. Mr. Strauss declares that a new kind of man is going to run this new industrial age we live in. The new kind of man sees not human beings but things at the center of life, and to set things free from their age old prisons is the new man's passion and genius. The machine is the instrument by which this freedom is gained, and ore from the mine, wood from the forest and other earth elements, have been changed by its magic into bath tubs, oil burners, refrigerators, railroads and airplanes. As education has freed man, so has the machine given things their freedom. The new man who dominates the machine has made it possible for things to bring into operation their own laws; and to make their own way in the world.

(Winnipeg)

Sugar Combine An editorial in The Grain Growers' Guide for December 1 says: "A move of world-wide significance was made at a conference held in Paris, in November, when representatives from Cuba, Germany, Czechoslovakia and Poland, the world's chief sugar exporting countries, agreed in principle on a plan of restricted sugar production. The conference was called at the initiative of Cuba. Holland, which has large sugar interests centering in the Dutch East Indies, refused to attend but the Cuban delegate, Colonel Tarafa, left Paris for Holland immediately after the close of the conference to endeavor to secure the adhesion of the Dutch sugar interests to the combine. The agreement which runs for a year and is renewable is left open for the signatures of all sugar producing countries. Although the details of the agreement are pretty well guarded it is believed that Cuba undertakes to restrict her output from 4,500,000 tons to 4,000,000 tons. If the other parties to the arrangement restrict their output in proportion it will mean higher prices for sugar throughout the world. Doubts are freely expressed as to the success of the move. A large number of countries are engaged in sugar production which makes a world wide cartel or combine difficult. Canada, for instance, imports raw sugar from some 15 countries and though Cuba is the largest individual source of this country's supply she furnishes only about one-fifth of our import requirements. An experiment in the international control of an agricultural product produced so widely will be watched with interest, particularly because an increase in sugar prices would be felt by practically everyone in the civilized world."

Taussig on Tariff Policy The United States and France are shown in their tariff contro-versy to have reversed the tariff policies to which they formerly adhered, according to Prof. F.W.Taussig of the chair of Political

Economy at Harvard. The professor has contributed an article on "The Tariff Controversy with France" to the January issue of Foreign Affairs, published quarterly by the Council of Foreign Relations. Professor Taussig, who was Chairman of the United States Tariff Commission, 1917-1918, holds that there is justification for the French desire for reciprocity. He personally endorses the American most-favored-nation policy but at the same time says of American protection: "Our rates are so high, our policy of protection so intolerant, so all-embracing, so inclined to extension to every blessed article on the demands of each interested group of producers, that our most-favored-nation policy amounts to universal severity and universal ill-treatment. Under such circumstances can we expect any warmth of feeling, any cordial response to our newly taken basis of negotiation?" In describing the reversal which America and France have made from their former tariff policies, Professor Taussig says: "The United States once held to reciprocity and now stands by the policy of most-favored-nation treatment. France once held to the most-favored-nation policy and now stands by reciprocity."

Section 3

Department of

Agriculture

1 An editorial in Scientific American for January says: "The past summer did not reward its prophets. Three years ago, two unofficial meteorologists, Herbert Janvrin Browne, of Washington, and H.H. Clayton, of Massachusetts, began predicting that 1927 would resemble that famous year of 1816, still remembered as the 'year without a summer.' Now comes our turn to laugh. The summer of 1927 came and went, and only after its advent were accurate, systematic day-by-day and hour-by-hour records available. After a detailed study of these records, Alfred J. Henry, editor of the Monthly Weather Review published by the United States Weather Bureau, states that, while the summer of 1927 was out of the ordinary run of summers, the month of August having been one of the coolest months of the name in the last fifty-odd years, the summers of 1903, 1907 and 1915 were about equally cool, 1915 actually being cooler... Weather Bureau statistics are impartial. They ignore our general impressions. The meteorologist does not simply say, 'Oh, I guess that on the whole this has been a cold month.' He accurately adds up daily and hourly records just as an accountant refines his sums to a penny. And so from the Monthly Weather Review we get the following facts concerning the summer of 1927: For June, July and August the weather of the United States averaged three degrees below normal; or, if we choose the astronomical summer from June 31 to September 21, the depression below normal average just one degree, Fahrenheit! The weather guessers allotted too much weight to the hectic month of August. They should have remembered the old proverb: 'It takes more than one swallow to make a summer.'"

2

An editorial in The New York Times for Dec. 15 says: "'Uncle Sam, de-bunker,' is the latest title which the Department of Agriculture has earned for the Government. That versatile bureau, which has done so much to lead us in the manner in which we should go, has just issued a pronouncement to the effect that the porcupine does not 'shoot' its quills. This is at odds with tradition running back into the Dark Ages. It violates one of the sacred canons of American country boyhood. Only the city-bred whose knowledge of the 'fretful porcupine' rests on books are sufficiently sophisticated to realize

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that Uncle Sam is right. They know that the porcupine occasionally manages to shake loose a few quills, and that dogs, when they attack and try to bite him, come away with a mouthful of quills. But in the country these matters are better understood. Traditions are not to be upset by Government pronouncements. From time immemorial the ukase has gone forth from elder to younger brother--'Keep clear of the porcupine's range!' If Uncle Sam continues his investigations into superstitions about animals, he will soon be telling us that a guinea pig's eyes will not drop out if it is picked up by its tail."

Section 4 MARKET QUOTATIONS

Farm Products Dec. 15: Nearly all classes and grades of livestock at Chicago and dressed meats at New York are on a lower basis than a week ago. Hog top at Chicago at \$8.60 was 25¢ lower than on Thursday of last week. Beef steer quotations show declines ranging from 25 to 75¢, with the better grades off most. Low grade stock has held up relatively well, but declines on the better grades are commensurate with those shown on steers. Veal calves are 50¢ to \$1 lower for the week, and stocker and feeder cattle mostly a quarter lower. Price recessions of 40 to 50¢ was shown on fat light and handyweight lambs, heavy weights declining more, feeding lambs have lost 15 to 25¢, yearling wethers 25 to 40¢, while matured sheep values have been sustained. Good grade of veal and mutton on the New York wholesale market show no change for the week, but the same grade of steer beef is 50¢ to \$2 lower, and of lamb \$1 lower. Pork lins show declines of \$1.50 to \$2 from a week ago.

Potatoes firm. Maine sacked Green Mountains ranged \$2-\$2.25 per 100 pounds in eastern markets; \$1.50-\$1.55 f.o.b. Presque Isle. Wisconsin sacked Round Whites \$1.50-\$1.65 carlot sales in Chicago. Onions slightly stronger. New York and midwestern sacked yellow varieties sold mostly around \$1.75-\$2 per 100 pounds in consuming centers, top of \$2-\$2.40 in New York City; \$1.65-\$1.75 f.o.b. New York Danish type cabbage firm at \$10-\$18 bulk per ton in terminal markets; slightly weaker at \$10 f.o.b. Rochester. Florida pointed type mostly \$1.50-\$1.75 per 1½ bushel hamper in the East. New York Baldwin apples steady at \$6-\$6.50 per barrel in New York City; cold storage stock \$6.25-\$6.50 f.o.b. Rochester. Eastern Yorks \$1.50-\$1.65 per bushel basket in a few eastern cities.

Average price of Middling spot cotton in 10 designated markets advanced 20 points, closing at 18.58¢ per lb. December future contracts on the New York Cotton Exchange advanced 17 points, closing at 18.74¢, and on the New Orleans Cotton Exchange they were up 14 points, closing at 18.69¢.

Closing wholesale prices of 92 score butter: New York 51¢; Chicago 51¢; Philadelphia 53¢; Boston 50¢.

December corn closing at Chicago at 85¢. Oats were also about a cent lower, December closing at 51½¢. December rye at Chicago closed at \$1.05½. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

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Section 1

December 17, 1927.

THE PRESIDENT AND TAX BILL President Coolidge was represented yesterday as strongly opposed to the tax reduction bill as passed by the House, providing for a reduction in revenues of more than \$289,000,000, according to the press to-day.

FLOOD RELIEF The press to-day reports that the Senate commerce committee will begin hearings on flood relief legislation on Monday.

DEFICIENCY BILL The House yesterday adopted the report of the Senate and House conferees on the first deficiency bill, according to the press to-day.

NITRATES PARLEY AT SEA A Paris dispatch to the press to-day reports that the first international trade conference ever held upon the high seas will get under way within the next ten days when the leaders of the nitrogen industries of the United States, Great Britain, France, Germany, Norway and Italy leave Marseilles aboard a luxurious private yacht for a three weeks' cruise on the Mediterranean. The report says: "Heads of the German Nitrogen Trust, who are promoting the unique meeting, hope that an international nitrogen entente will have taken definite form by the time the ship returns to the French port."

LINDBERGH ON AIR LINES Colonel Lindbergh says in his letter this morning from Mexico City to the New York Times: "There is a great opportunity for an air line between Mexico City and the border, for both passengers and mail....There is also an opportunity for an air line from the United States to Panama."

THE FOREIGN SUGAR CONFERENCE A Brussels dispatch to-day says: "According to reliable sources of information in the Belgian sugar refining circles, trouble is likely to arise at the Preparatory Sugar Conference, which began at Prague yesterday, owing to the fact that both Czechoslovakia and Poland are discontented with the export quota already allowed them. Czechoslovakia is particularly concerned....She will point out that she is allowed to export only 21 per cent of the total produce, whereas Poland exports 58 per cent and Germany 21. She is prepared to demand a 75 per cent quota, but it is said will be satisfied with 56 per cent, Germany and Poland to have 22 per cent respectively. Belgium, on the other hand, is said to be completely satisfied with the present arrangement. The arrangements entered into with Colonel Tarafa of Cuba only affect exportation and not production, it is claimed, and there is this to prevent the countries from accumulating and then selling sugar, should the present arrangements fall through."

Section 2

Dairy Industry An editorial in Dairy Produce for December 13 says: "During the recent dairy meetings held in Chicago attention was called in several instances to the remarkable increase of the dairy industry the past six years, and especially to the increase in the consumption of milk. These facts were brought out at the meeting of the National Dairy Council particularly and are a tribute to the work and worth of that organization. The council, from its inception, has been supported mainly by the milk interest, and its usefulness has been so pronounced that support from that source has increased to meet the enlargement of the work, and it is encouraging to note the awakening in the butter industry to the certainty of a like service the council can do in increasing the consumption of butter by making known to people its superior value as a food for humans...."

"Federated Agricultural Trades" An editorial in Ohio Stockman and Farmer for Dec. 17 says: "Those who are concerned in the handling of agricultural products have formed a national organization called the Federated Agricultural Trades of America. Their purposes are to promote 'a closer working arrangement between the agricultural producers and the agricultural trades,' and to oppose Government stimulation, financial support, tax exemption or other favors to cooperative organizations with which they must compete for business. This is a brief and we hope a fair statement of purposes. Unfortunately there is some reason for the existence of such an organization. Cooperative organizations have been exempted by law from certain restraints imposed on other business organizations. Not that cooperative organizations needed such exemptions, for they did not need them and have received little benefit from them, but they constitute a discrimination which is a perpetual irritant. There has been and is yet some abuse of official service in the interest of farmers' organizations and sometimes contrary to the interests of other classes. There is no reason or excuse for this. Public officials should serve the public and should not become agents for or assistants of any particular organization. The sooner this principle is universally recognized and observed the better for all concerned, including the organizations of farmers, which are able to attend to their own affairs. The new organization is merely a natural reaction to what some of the alleged friends of agriculture have done and propose to do. It will not interfere with the legitimate work of any farmers' organizations."

Flaxseed

An editorial in The Wall Street Journal for December 16 says: "...If any man asks how flaxseed, raised up in the Northwest, can affect him in any indirect way, just let him put on his thinking cap for a few minutes. How would we get along without paint? It is almost a fundamental necessity in civilization. Then try to imagine getting along without newspapers, books and magazines....Paint and printer's ink are sufficient to show our need for flaxseed without mentioning many other useful commodities, such as linoleum oilcloth and patent leather. Linseed oil enters into the making of all these and linseed oil is made from flaxseed. A ton of the seed will yield about 75 gallons of the oil. After the oil has been pressed out for our industrial uses, flaxseed helps to feed us. The cake or meal from which the oil has been expressed is a valuable feed for livestock, especially for fattening beef cattle. So, when enjoying a juicy steak we may be

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under obligations to some of that crop of flaxseed produced up in the Northwest. The industrial growth of which we are so fond of speaking is shown in the flaxseed consumption. Although we are the world's second largest producer, yet we are also the principal importer. We purchase abroad more flaxseed from which to make linseed oil than any other country in the world. That is saying a great deal because the leading countries of Europe are importing more now than before the war. In the five years preceding the war our production averaged 19,500,000 bushels. Therefore, we are producing about 20 per cent more now than then. That is but 55 per cent of what we need. In spite of a heavy tariff, production is far behind consumption. Luckily for us Argentina has more than doubled its production in the same period. This adds considerably to Argentina's export balance, while we, in a measure offset it by sending to Europe a part of the oil cake valued at \$13,000,000."

Production and An editorial in American Bankers Association Journal for Prosperity Dec. says: "A very remarkable review of progress in national efficiency has been made by E. Dana Durand, Chief of the Division of Statistical Research, Bureau of Foreign & Domestic Commerce. The importance of the findings are emphasized because the progress discussed 'marks a trend which we may well consider of a permanent character.' Some of the most salient findings are these: 'Between 1899 and 1925 the output of agricultural products increased about 47 per cent, that of mining about 243 per cent, and that of manufacturers about 178 per cent, while the volume of railway service increased by 199 per cent. The weighted total for these four branches of industry shows an increase of 140 per cent for the quarter century. Meantime population had grown only about 55 per cent, so that per capita output rose also by about 55 per cent. And this addition of 140 per cent was achieved by adding only 34 per cent to the number of workers; hence there was a gain per worker of nearly 80 per cent. If the reduction of workers in these four branches had meant unemployment 'the great gain in output would have been impossible, since it could not have found a market.' The average working time in all branches of industry considered together has been reduced 15 per cent, but wages have nevertheless increased and the workers' buying power was 35 per cent higher in 1925 than in 1914. The basic causes of our prosperity are the resources of the country, untaxed by excessive population, and the energy, intelligence and attitude toward work of the producing population...."

Reactors'
Value

An editorial in Ohio Stockman and Farmer for Dec. 17 says: "In a recent decision Judge Hay of Trumbull County ruled that establishing a maximum limit on the amount paid for cattle condemned by the tuberculin test is contradictory to the terms of the statute and illegal. This decision has led to a demand that all condemned cattle shall be paid for at their full appraised value, regardless of the \$50 and \$80 limits heretofore in effect. The situation presents several possibilities, including that of a total expenditure so great that the principle of compensation may be abandoned entirely. What is the value of a tubercular animal? Nobody knows just what it is in any case. But if eradication of bovine tuberculosis is to proceed under the present system some basis of value must be established either by rule or by statute."

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Wool Market The Commercial Bulletin (Boston) Dec. 10 says: "The eastern seaboard wool markets have been less active this week although all prices are very firm, and the holders of wool are inclined to mark up prices and hold for a rise. Manufacturers concede the sound position of the wool market and are inclined to anticipate wants somewhat, although deplored the upward trend of values. Foreign markets keep very firm, on the whole, London closing strong, while the primary markets are especially strong on the best wools. The Australian strike is settled. Contracting in the West is expanding, with 35 cents paid in Utah. Nearly 10,000,000 pounds is reported under contract."

Section 3 MARKET QUOTATIONS

Farm Products Dec. 16: Cabbage advanced \$1 on old stock in New York City; new stock held about steady. Lettuce firm. Apples, potatoes, onions and sweet potatoes about steady. Lettuce firm. Celery dull. New York Rhode Island Greening apples mostly around \$8. New York Danish type cabbage bulk per ton \$14 to \$17, Florida Wakefields, 1 1/2 bushel hampers, mostly \$1.50. New York celery, 2/3 crates, mostly fair to poor quality and best condition \$1.50 to \$1.75; California Iceberg type lettuce, 4 to 5 doz. crates, ordinary quality and condition \$1.50 to \$2. New York yellow onions, 100 lb. sacks, fair quality and condition \$2; Long Island Green Mountain potatoes \$4 to \$4.15 bulk per 180 lbs; Maine green mountains \$3.50 to \$3.75 bulk per 180 lbs. New Jersey yellow sweet potatoes, bushel hampers, best \$1.25 to \$1.75.

Beef steer trade was dull and of limited volume with a number of loads held over in first hands for next week's opening session. There was no reliable outlet for either steers or fat sheep stock, and trading was on a weak to lower basis. Cutter cows and vealers sold steady. Best yearling steers offered, selling at \$13.50, were similar to kinds bringing \$15.50 or better a fortnight earlier. Veal calves sold largely at \$11 to \$11.50. Fat lambs declined 15 to 25¢ and closed extremely dull with many weighty and plain qualified lambs unsold at a late hour. Choice handyweight lambs were scarce and topped at \$13.65. A few loads of good 92-100 lb. fed lambs sold at \$12 to \$12.75. Sheep were steady to weak, and feeding lambs draggy, and weak to a shade lower. Medium to good 65-73 lb. feeding lambs sold largely at \$12.50 to \$13.

On the New York cotton exchange December future contracts advanced 15 points, closing at 18.89¢ and on the New Orleans Cotton Exchange they were up 18 points, closing at 18.87¢.

December wheat closed at Chicago at \$1.25 3/4; Minneapolis \$1.22 1/2; Kansas City \$1.20 1/4. December oats closed at 52 3/8¢; December rye gained most of the recent loss, closing at Chicago at \$1.07 1/2.

Closing prices on 92 score butter: New York 52¢; 91 score, 51¢; 90 score 47¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

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Vol. XXVII, No. 67

Section 1

December 19, 1927.

DEFICIENCY BILL TO PRESIDENT The first appropriation bill of the session--a deficiency measure carrying \$200,936,000 to meet additional expenses for the current fiscal year--was sent to the White House Dec. 17 by Congress.

HIGHWAY SURVEY URGED Surveys for an elaborate system of superhighways spanning the United States were asked in a bill introduced Dec. 17 by Senator Moses, acting on behalf of Senator Du Pont, who is absent.

The surveys would be for a highway as direct as practicable between the Atlantic and Pacific Coasts and cross-highways which would connect the entire United States. In addition to the coast-to-coast highways, provision also would be made for a report on similar highways from Maine to southern Florida along the eastern seaboard, from the State of Washington to southern California, from southern California through the Southern States to meet the eastern seaboard highway, from a point west of the Mississippi River running northwest to meet the Pacific seaboard highway in the State of Washington, and from this central superhighway to meet the southern artery. (Press, Dec. 18.)

BUSINESS OUTLOOK The Chamber of Commerce of the United States announced yesterday that members of its board of directors held encouraging views of business during 1928, based "largely upon improved agricultural conditions." The forecast was made by more than two dozen men representing different industries in various parts of the country. The forecasts range from an extremely optimistic outlook to a conservative cautious prediction, the organization said in a statement. "Many of the forecasts," the statement added, "place emphasis upon the increased buying power of the farmer as a result of a generally satisfactory crop and better prices. This healthy buying power, it is pointed out, will benefit general business next year."

FISHER'S INDEX NUMBER A New Haven dispatch to-day says: "Prof. Irving Fisher's index number of commodity prices for the past week, based on 100 as the average of 1913, is 144.3. This compares with 146.1 the week before, 145.7 two weeks before, 146.1 three weeks before and 145.9 four weeks before and is the lowest since the week of Sept. 3. The average of 146.2, reached on Oct. 23, was the highest of the year to date; the previous high point was 146, in the third week of January. The average of 137.9, on July 23, was the lowest of the year to date."

POTATO RECORD A Stockton, Calif., dispatch Dec. 18 states that a new world record for potato production was claimed there Dec. 17. An acre of British Queen potatoes dug on the Frederick H. Rindge delta tract, just west of Stockton, yielded 64,707 pounds, the State Department of Agriculture announced. The former record of 62,293 was held by Zuckerman Brothers, also Stockton delta farmers.

the 1990s, the mean annual precipitation increased by 10% over the entire region, while the mean annual temperature increased by 1.5°C. The mean annual precipitation increased by 10% over the entire region, while the mean annual temperature increased by 1.5°C.

3.2. Precipitation

The mean annual precipitation increased by 10% over the entire region, while the mean annual temperature increased by 1.5°C. The mean annual precipitation increased by 10% over the entire region, while the mean annual temperature increased by 1.5°C.

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3.3. Mean annual temperature

The mean annual temperature increased by 1.5°C over the entire region, while the mean annual precipitation increased by 10% over the entire region, while the mean annual temperature increased by 1.5°C. The mean annual temperature increased by 1.5°C over the entire region, while the mean annual precipitation increased by 10% over the entire region, while the mean annual temperature increased by 1.5°C.

3.4. Mean annual relative humidity

The mean annual relative humidity decreased by 10% over the entire region, while the mean annual temperature increased by 1.5°C. The mean annual relative humidity decreased by 10% over the entire region, while the mean annual temperature increased by 1.5°C.

3.5. Mean annual cloudiness

The mean annual cloudiness increased by 10% over the entire region, while the mean annual temperature increased by 1.5°C. The mean annual cloudiness increased by 10% over the entire region, while the mean annual temperature increased by 1.5°C.

American
Economic
Wealth

Section 2

Evans Clark writes in The New York Times Magazine for December 4 under the title "Economics is Now King in Europe." While it is easy to explain America's prosperity by pointing to America's production, it is more difficult to account for the production, the author says. The United States undoubtedly has staged a second industrial revolution fully as important as the first. But how and why? Partly it has been a matter of good fortune--within the United States, in one homogeneous State undivided by tariff barriers and national boundaries, lie one-quarter of the natural resources of the world--iron ore, coal, oil, timber. The raw materials of industrial civilization lie ready to hand. But largely it has been a matter of human effort--inventive genius, technical skill, hard work. The same race of pioneers that conquered the wilderness has set about to make it habitable to live in. Americans are the first people in the world's history to make a science of management. The change is so vast, so difficult to reduce to comprehensive terms, that its implications--let alone its dimensions--are still undiscovered by the multitude. Already the new dispensation has put creature comforts and a fair education at the disposal of the manufacturing masses. The dividends of comfort and of culture are just as real, if more difficult to calculate, than the dividends of dollars that make them possible. Already the United States, by reason of its wealth, has taken a mortgage on much of the rest of the world.

British Farm Politics An editorial in The Field (London) for December 1 says: "It is now obvious that agriculture is likely to gain little under the Merchandise Marks Act. The Field has never subscribed to the doctrine, apparently so strongly held by some of the leaders of the National Farmers' Union, that any stick is good enough to beat the Government with, but the administration of the Merchandise Marks Act--so far as agriculture is concerned--really has been futile. The standing committee charged with inquiries under the said act in relation to such classes or descriptions of agricultural and horticultural produce as may be included in any reference which may hereafter be made to the said committee' seems to have gone out of its way to make the act a dead letter. First it turned down the application that imported seeds should be marked--though it is doubtful if its members knew the difference between red clover and rye grass seed. Now it has not only turned down the application for the marking of foreign eggs, but has gone out of its way to insult the members of the National Farmers' Union and the National Poultry Council by telling them that they do not know their own business....We recall that this committee was appointed neither to teach farmers their business nor to make hypothetical statements as to the effect of marking orders upon producers in foreign countries, but to carry out 'the obvious intention of Parliament'--to quote the instructions given to the committee--which was to enable the consumer in this country to know what he is buying and to protect him from fraudulent misrepresentation at the expense of the home producer. The applications made by agricultural interests for the marking under the act of imported seeds and imported eggs have been turned down by the standing committee for quite fantastic reasons. The same fate is likely to be meted out to the farmers' application in respect of imported oats unless the Minister of Agriculture takes immediate action to reconstitute the committee, which appears from its reports to be quite unfitted for such an important task."

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Credit Inflation "Is There Credit Inflation?" is the title of an address by Charles E. Mitchell, president of the National City Bank of New York, reprinted in Commerce and Finance for Dec. 14. Mr. Mitchell says he is unable to see eye to eye with those who raise the cry of inflation. For two years, excepting a contrary movement in recent weeks, commodity prices have shown a declining trend, offering no incentive to the accumulation of inventory and multiplication of forward buying which constitute the breeding ground of inflation. It is true that there has been a considerable expansion of bank credit since the low point of the post-war deflation reached in 1921. One has to remember, however, that the volume of business which the country is carrying on is constantly increasing, and that the amount of bank credit outstanding should in the normal course of things increase from year to year. Over the long period since 1870 to the beginning of the war the average annual increase of bank credit has been precisely 5.7%. Over the past six years since 1921 the average annual increase has been 5.2% and for the lastest year,--that ended June 30, 1927,--was exactly 5%. Certainly this is not excessive, nor does it bear out the contention of inflation.

Farm and Factory in Wisconsin An editorial in The Wisconsin Agriculturist for December 17 Wisconsin says: "The Wisconsin Manufacturers' Association is compiling some interesting figures showing the intimate relation that exists between the farming and manufacturing interests. Wisconsin is a great manufacturing State. For every second's time last year this State produced manufactured goods valued at \$51.12. For every worker's family of four, factory wages paid for 704 pounds of meat, 720 quarts of milk, 64 pounds of butter, 19 pounds of cheese, 80 dozen eggs and 10 bushels of potatoes. During 1926 the families of factory workers furnished a home market for farm products as follows: Meat, \$45,072,-000; milk, \$17,839,000; butter, \$7,135,000; cheese, \$1,648,000; eggs, \$6,937,000; potatoes, \$2,478,000. Figures have also been compiled showing that there have been fewer farm failures in localities where active manufacturing industries furnish a good local market for farm products. Farsighted manufacturers and farsighted farmers understand that both will enjoy greater prosperity when the other is conducting a profitable business. From selfish interest as well as general interest farm and factory must prosper together."

Florida Sugar Project Manufacturers Record for December 15 says: "After spending a million dollars during the last three years in experimental work testing the suitability of the territory surrounding Clewiston, Fla., for sugar raising, proving the suitability of the soil and climate, the remarkable saccharine contents of the cane produced, and doing other testing work, the Southern Sugar Company, organized largely by the interests which dominate the Celotex Company, has begun the construction of a big sugar plant at Clewiston. Celotex is produced from the bagasse of the sugar cane which was largely a waste product until the invention of Celotex. The remarkable development of the Celotex interests has made necessary an extension of its operations and doubtless this had much to do with the investigations of Florida as a great sugar producing center to use the bagasse there for Celotex manufacture. It has been the dream of Florida for many years that that State was destined to become one of the great sugar producing regions of the world...."

Forest Insurance The United States compares well with Scandinavian countries in forestry work except in the matter of forest insurance, according to Uno W. Lehtinen, a member of the State Forest Service of Finland, who recently left the United States Forest Products Laboratory at the University of Wisconsin to return to his native land. Mr. Lehtinen spent three years in the United States studying our forestry methods. The last six months of the period was at the Forest Products Laboratory. He says the policy of forest insurance, lacking in this country, is common in Finland and the other Scandinavian countries to the extent that 50 per cent of Finnish and other Scandinavian farmers carry insurance on their wooded lands. Of the various regional fire prevention activities carried on in this country, the Finnish forester was especially impressed by those in Pennsylvania, Minnesota and California, which he describes as equaling or surpassing similar activities in Scandinavia. (Press, Dec. 15.)

Prices

A slight reaction from the recent upward movement of wholesale prices is shown for November by information collected in representative markets by the Bureau of Labor Statistics of the U.S. Department of Labor. The bureau's revised index number, computed on prices in the year 1926 as the base and including 550 commodities or price series, stands at 96.7 for November as compared with 97.0 for the month before, a decline of nearly 1/3 of 1 per cent. Compared with November, 1926, with an index number of 98.4, a decrease of 1-3/4 per cent is shown. Farm products again showed a slight decline from the preceding month, due mainly to decreases in corn, hogs, lambs, calves, cows, cotton, peanuts, and onions. Beef steers, eggs, and wool, on the other hand, averaged higher than in the preceding month. Food-stuffs rose slightly in price, with minor increases reported also for hides and leather products, chemicals and drugs, and housefurnishing goods. No change in the general price level is shown for the group of miscellaneous commodities, while small decreases took place among textile products, fuel and lighting materials, metal products, and building materials. Of the 550 commodities or price series for which comparable information for October and November was collected, increases were shown in 157 instances and decreases in 154 instances. In 239 instances no change in price was reported. Comparing prices in November with those of a year ago, as measured by changes in the index numbers, it is seen that farm products and hides and leather products were considerably higher, while foods and textile products were slightly higher. Decreases are shown for all other groups of commodities, ranging from less than 1/4 of 1 per cent in the case of housefurnishing goods to 9-3/4 per cent in the case of building materials, and over 19 per cent in the case of fuel and lighting.

Sugar Refiners' Plans Describing the situation of international sugar producers and of American sugar refiners at the close of this year, A.H.Lamborn, president of Lamborn & Co., Inc., in a statement issued at New York, December 15, said the sugar refiners were contemplating the formation of a national association, but complete details for it had not been worked out. Some aims of the organization, according to Mr. Lamborn, will be the elimination of so-called unfair practices; the substitution of openly known discounts based on quantity purchases; compilation of national statistics on consumption, to be used as a guide for the proper melting of raw and distribution of refined sugar, and the national advertising of the human benefits to be derived from the increased consumption of sugar. (Press, Dec. 16.)

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Section 3
MARKET QUOTATIONS

Farm Products For the week ended Dec. 17th Cattle trade was nominal as was also the sheep market, receipts of sheep being practically all direct to packers. Hog trade was active and steady to strong. Top was \$8.55 with bulk of desirable 210-300 lb., butchers \$8.25 to \$8.50, most 160-200 lb., \$7.90 to \$8.25, pigs largely \$7 to \$7.50, and bulk of packing sows \$7.25 to \$7.50. Shippers bought 3,000, and the hold-over was reduced to about 1,000.

December wheat quoted at the close of the market at Chicago at \$1.26 5/8, Minneapolis at \$1.22 7/8, Kansas City \$1.21. Increasing receipts of corn weakened the corn market and the December delivery closed at Chicago at 85¢. December oats closed at 52 $\frac{1}{4}$ and December rye at \$1.07 $\frac{1}{2}$. Premiums for cash wheat held steady resulting in a slight advance in cash quotations. No.2 hard winter wheat 12 $\frac{1}{2}$ per cent protein was quoted at Kansas City at \$1.35-1.40 $\frac{1}{2}$; 13 per cent protein of the same grade sold at \$1.39-1.46 $\frac{1}{2}$. No.2 red winter was quoted at \$1.38-1.41 $\frac{1}{2}$. No.2 red winter was quoted at Chicago at \$1.36 $\frac{1}{2}$ and No.2 hard winter at \$1.29. No.1 dark northern spring 12 per cent protein was quoted at Minneapolis at \$1.34-1.38 and 14 per cent protein of the same grade at \$1.57-1.65.

On the New York Cotton Exchange December future contracts advanced 4 points, closing at 18.93¢, and on the New Orleans Cotton Exchange they were up 5 points, closing at 18.92¢. On the Chicago Board of Trade December future contracts closed at 19¢ compared with 18.99¢ yesterday.

The New York butter market continued firm on top grades. While supplies are still relatively short dealers were generally free sellers and buyers were able to satisfy their week end requirements at listed prices. Medium and undergrades easy and very irregular as to price. Storage market quiet and steady. Centralized market quiet and steady. Wholesale prices of fresh creamery butter at New York were: 92 score, 52¢; 91 score, 51¢; 90 score, 47¢.

The New York cheese market shows no material change. Tone was firm with prices well sustained. Buying interest was light. Wholesale prices of No. 1 fresh American cheese at New York were: Single Daisies, 28 $\frac{1}{2}$ ¢. Held cheese: Flats, 29¢; Single Daisies, 29¢; Young Americas, 29 to 29 $\frac{1}{2}$ ¢.

Most fruits and vegetables unchanged in New York City. Apples and cabbages firm. New York prices quoted: New York Rhode Island Greenings \$8.00 to \$8.50. New York Danish type cabbage bulk per ton, \$14.00 to \$18.00; New York celery 2/3 crates, mostly fair to poor quality, best \$1.50 to \$1.75; Florida Big Boston type lettuce, mostly fair quality, \$2.00 to \$2.50. New York yellow onions 100 lb. sacks, \$2.10. Maine Green Mountain potatoes bulk 180-pounds \$3.50 to \$3.75; Long Island Green Mountains bulk 180 pounds \$3.50 to \$3.75. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVII, No. 68

Section 1

December 20, 1927.

INTERNATIONAL ENTOMOLOGICAL CONFERENCE President Coolidge yesterday asked Congress for authority to invite delegates from all nations to attend the International Congress of Entomologists at Cornell University next year. That the meeting would be of "great importance" was stated by the President in his letter, which was accompanied by official communications from Secretaries Kellogg and Jardine. The foreign relations committee of the Senate and foreign affairs committee of the House took the Presidential request under consideration. (Press, Dec. 20.)

FARM RELIEF LEGISLATION The Associated Press to-day says: "Having already made its bow in the Senate, the remodeled McNary-Haugen farm relief bill crossed the House stage yesterday and was kept going until it reached the agriculture committee. In the course of a meeting of that committee earlier in the day, Chairman Haugen had announced that his revised proposal was ready and January 16 was set for the opening of hearings...."

FEDERAL BUILDING FUND The House yesterday passed the Reed bill adding \$100,000,000 to the Federal Government's fund for erecting public buildings in the various States. The House also passed the Elliott bill authorizing the appropriation of \$25,000,000 for the purchase of real estate in the triangle between Pennsylvania Avenue and the Mall, Washington. (Press, Dec. 20.)

FARMERS OPPOSE LOWER STEEL RATES The Associated Press to-day reports: "Declaring that a proposed reduction in railroad rates on iron and steel intended for export would so diminish the earnings of the carriers that the farmer would have slight chance of obtaining lower schedules on his products, a group of Kansas farm organizations yesterday asked the Interstate Commerce Commission to withhold its approval. The proposal was advanced by eastern railroads; the new rates to become effective December 31. The protesting organizations, represented by Clyde M. Reed, former chairman of the Kansas utilities commission, included the Kansas Grange, the Farmers Union, the State farm bureau and Kansas cooperatives engaged in marketing wheat and livestock. A petition was presented asserting that the organizations considered that they spoke for all the grain-growing territory of the West."

BANK SEES PROSPERITY Declaring that "prosperity is in prospect" for the first half of 1928, a circular issued Dec. 18 by the Continental National Bank of Chicago said that "we find no evidence of a coming period of depression."

Section 2

Agriculture and Business Solution of the farm problem by developing industrial projects in the rural districts, rather than by political measures, was advocated by Thomas R. Preston, president of the American Bankers Association, in an address at New York, Dec. 19, before the American Institute of Banking Forum. Mr. Preston said: "There is no legislative remedy for agriculture. It is an economic question pure and simple and must be worked out accordingly. It is a fact that no community and no State has ever become great from agriculture alone. There seems to me a real remedy for small communities and for agriculture. This remedy is the mixing of industry with agriculture and it is now being applied in many localities with satisfactory results. Industry and agriculture are better balanced in Ohio, North Carolina and Pennsylvania than in any other States and in these States there is no serious agricultural problem and we hear little complaint from the farmers. This mixing of industry and agriculture is called by some decentralization of industry. I would not suggest that manufacturing institutions move from the cities to the small villages, but it would be better for future industries to be placed in small villages rather than to be further congested in the great centers. This would also be a solution of our labor problem, if we really have one. Bringing industries to small villages increases the market for agricultural products, gives employment to surplus labor, elevates the standards of living, increases public revenue, reduces taxes and vastly increases educational facilities. I can give two striking examples from my own State. Twelve years ago Kingsport, Tennessee, had a population of one thousand. Great industries like the Eastman Kodak Company, a large cement plant and a number of others were located there. In twelve years these have brought the population up to seventeen thousand. A few miles away at Elizabethton they are building a great rayon plant. The population of that town is now two thousand, but it is estimated that this will be multiplied by five in less than two years. The total investment in manufacturing in that community within five years will probably reach \$50,000,000. Such balancing of industry and agriculture will solve most of our so-called agricultural problems."

American Water Power The United States leads all other countries of the world in the utilization of its water power resources and progress made in building new plants, according to estimates made public by the Geological Survey of the Department of the Interior. In the capacity of its constructed plants the United States nearly equals all of Europe; its total at the end of 1926 being 11,700,000 horsepower for plants of 100 horsepower or more, as against 13,100,000 horsepower in Europe, presumably for plants of all sizes. The leading countries in Europe in the use of water power and the capacity in horsepower of their constructed plants in 1926 are as follows: Italy, 2,300,000; France, 2,000,000; Norway, 1,900,000; Switzerland, 1,850,000 and Sweden, 1,350,000.

Boys and Girls Club Work An editorial in Successful Farming for December says: "There are some parents who do not yet realize the significance of the 4-H club work with farm boys and girls between the ages of twelve and eighteen. If they did, they would remove the objections that have prevented their boys and girls joining in this most beneficial work."

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Not even public school work can get such a hold upon farm boys and girls and fit them for farm life in the future as does this club work....The 4-H club work fits right in with school work carrying education into the homes and fields and feedlots. It is education applied to everyday living and money-making. Farm boys and girls are unfortunate who are for any reason deprived of the benefits of membership in one of these clubs....It would be a fine community if all the adults had the same generous spirit. Temperature of agriculture depends upon the well-trained boys and girls of the 4-H clubs."

Cow Testing An editorial in Farmstead, Stock and Home for Dec. 15 says: Associations "The number of cow-testing associations are increasing in all dairy sections. They have emphatically proven their value in the building up of high-producing herds, and the eliminating of unprofitable cows. They might well be called cow-improvement associations for that is what they actually are. There are now 102 cow-testing associations in Minnesota. In number the State stands third, with Michigan second, and Wisconsin first. Iowa and Pennsylvania follow. In the Minnesota associations there are approximately 350,000 cows. The growth of the work in this State is indicated as we note the fact that in 1916 there were but 22 cow-testing associations in Minnesota as compared with 102 at the present time."

Electric Re-frigeration "It is an interesting fact," said Frank W. Smith, vice president of the United Electric Light and Power Co., addressing the American Society of Refrigerating Engineers at their annual banquet in New York City last week, "that if you chart the growth of cities in the United States during the last twenty-five years, and on the same paper chart the development of the ice and refrigeration industries, you get practically parallel lines. But, large as this industry is to-day, and important as are the accomplishments already attained, like many of our great institutions and business developments, your industry is still in its infancy. For instance, there are twice as many automobiles in use in this country as ice boxes. And as for domestic electrical refrigerators, I understand there are something like fourteen million homes and apartments wired for electrical service, and less than half a million of these homes have electrical refrigerators." (Commerce and Finance, Dec. 14.)

Margins of Profit An editorial in The Journal of Commerce for December 19 says: "...Within the last three months prices have advanced slightly, the 'turn' apparently having been reached during the latter part of September. As yet the increase has not been very great, but there are some indications which now point to the possibility of more material advance. There is evidently a good deal better handling of the agricultural situation, and less overproduction. A smaller amount of land is being worked in some of the crops that are most seriously overproduced. A much smaller amount of current investment is being made in some industries in which plant equipment is already adequate or excessive. It may well be that these industries will show a distinctly higher level of prices which will tend to advance the general price level....If we can control or, better still, prevent inflation, the course of prices during the coming year should be stabilized or converted from an upward into a slightly downward movement....The

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fair conclusion to be arrived at is that the business man should steadily prepare himself for a declining level of prices and should undertake to meet it by reducing costs. In the last analysis, this will mean a deflation of excessive wage outlays, and increased efficiency of labor, or both, and a reduction in the real costs of capital (not short term money). It is along these lines that the business community must work, and if it does so it may be well assured of the trend of things for the future without the aid of the political astrologers."

Rural Life
Problems

"Wanted--A Technique for the Rural County" is the title of an article by Robert G. Armstrong in The Survey for Dec. 15. Serious social, health and mental conditions with serious results are festering away on back country roads and in small villages and towns because of the lack of adequate social vision and of adequate social organizations in the average rural county, according to the author, who is president of the Allegany Public Health and Welfare Association. There are boards of supervisors who have no first-hand knowledge of the technique of social service which looks to the creation of assets out of the liabilities in the human family. There are individuals, especially ministers of churches, who have a heart but little knowledge of how to manage these difficult problems. The population of the typically rural county does not provide enough leaders to man adequately several different lines of work organized separately. The one great need of the average rural county is a less number of organizations, a merging of existent organizations whose work tends to overlap in any degree whatever. A more thorough diagnosis of conditions is possible through impartial interest in the health, the social and the mental aspects. There is an opportunity to make a much broader appeal to clubs, churches and individuals, soliciting their aid and their interest through the thoroughness of the program presented. There are hundreds of rural counties that need definite organization along these lines, especially mental hygiene. Their problem, according to the author, is the biggest social problem of to-day, not in the numbers but in the difficulties which it involves. They need trained workers to organize not for specific State committees with specific objectives, but for general, all-around social, health and mental work, merged under one general head.

Wool Market

The Commercial Bulletin (Boston) for December 17 says: "The wool market is much more active. In addition to fairly large purchases by the mills there has been considerable trading in scoureds along Summer Street and prices are slightly dearer all around, say a half-cent to a cent in the grease, for the week. Nearly all descriptions are in demand. In the West contracting started up again this week with considerable strength and close to twenty million pounds are now believed to be under contract, more buyers being interested and a wider territory being involved, with prices about a cent a pound dearer in not a few instances. The foreign markets are fairly steady. London closed about on a parity with the opening. The foreign primary markets are generally firm, although some top-making wools in Australia have been a bit in favor of the buyer. Manufacturers are fairly busy, but new orders are reported small."

Section 3

Department of
Agriculture

An editorial in The Progressive Farmer for December 17 says: "There is no class of people in America who can get helpful and authoritative literature about their business, and any phase of their business, as easily and cheaply as farmers. Hence the most enterprising and progressive farmers are using this treasure-house of information, (Department of Agriculture) and farmers who fail to use it are simply and seriously handicapping themselves. No matter whether we are growing cotton, tobacco, wheat, corn, apples, hogs, cows, or poultry, we are in competition with keen, alert, wide-awake men and women who are finding out just what the agricultural colleges and experiment stations of America have discovered, and are using this information in their work. If we fail to use this information, then we are just as much outclassed as is a cotton manufacturer who uses 1897 model machines in competition with a manufacturer who uses 1927 model machines. Why not resolve to read at least one Farmers' Bulletin a month during the next twelve months--and order them now?"

Section 4
MARKET QUOTATIONS

Farm Products Dec. 19: Closing prices of livestock: Steers good and choice \$13 to \$17.50 at Chicago, Kansas City \$12 to \$16.75; cows, good and choice Chicago \$8 to \$10.50; heifers, good and choice Chicago \$10.25 to \$13.50; vealers good and choice Chicago \$11.50 to \$13.50; feeder steers common and medium \$7.25 to \$10.25 in Chicago; lambs, good and choice \$12.50 to \$13.60 Chicago; ewes, medium to choice \$4 to \$7 in Chicago; feeding lambs medium to choice in Chicago \$12.25 to \$13.65.

Maine sacked Green Mountain potatoes sold around \$2-\$2.25 per 100 pounds in eastern cities; \$1.50-\$1.55 f.o.b. Presque Isle. Eastern Stayman apples ranged \$5.25-\$6.50 per barrel in a few markets. New York Baldwins \$6.50-\$7 in New York City. New York Danish type cabbage sold generally at \$10-\$18 bulk per ton in terminal markets; \$7-\$8 f.o.b. Rochester. New York and midwestern sacked yellow onions closed at \$1.75-\$2.15 per 100 pounds in consuming centers, top of \$2.40 in New York City; \$1.75-\$1.85 f.o.b.

Wholesale prices of fresh creamery butter at New York were: 92 score, 52¢; 91 score, 51¢; 90 score, 47¢.

Cotton prices on the New York Cotton Exchange advanced 32 points to 19.25¢ and on the New Orleans Cotton Exchange they were up 39 points, closing at 19.31¢. On the Chicago Board of Trade they advanced 40 points to 19.40¢. The average price of Middling spot cotton in 10 designated markets advanced 36 points, closing at 19.16¢ per lb. On the same day one year ago the price stood at 11.80¢.

Light offerings together with firm foreign markets strengthened the wheat market and closing quotations were nearly one cent higher than Saturday's close. December wheat closed at Chicago \$1.27 $\frac{3}{4}$, Minneapolis \$1.23 7/8; Kansas City \$1.23 $\frac{1}{4}$; Winnipeg \$1.21 1/8 and Liverpool \$1.51 $\frac{3}{4}$. Corn was also slightly higher, December corn closing at Chicago at 85 $\frac{3}{4}$ ¢; December oats closed at 52 $\frac{1}{2}$ ¢ and December rye \$1.08 5/8. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

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Vol. XXVII, No. 69

Section 1

December 21, 1927.

ALIEN PROPERTY

BILL PASSES
HOUSE

The House yesterday passed the alien property bill by a vote of 223 to 26. The bill provides for the ultimate return of all German property seized during the war, and the settlement of all war claims held by American citizens against Germany. (Press, Dec. 21.)

LINDBERGH ON
AVIATION

Col. Charles A. Lindbergh, in his dispatch from Mexico City to The New York Times to-day, says: "The more I see of Mexico, the more I realize that quicker communication between the two countries is essential, and aviation can play an important part in linking the United States and Mexico. It should be safe to fly single-motored planes most of the way, certainly until the route is well established, and if efficient passenger service is assured three-motored planes could be used, which would make the flight as safe as any other means of transportation. Flying air-planes over a well-established route, with good equipment and pilots, has been proved reliable, and it is much quicker and more comfortable.... There is no comparison between the conditions of my flight to the South and a flight over an air route in the United States, or any country where an air route has been laid out with due attention to equipment and personnel. This point should be thoroughly understood by those interested in aviation, for I should feel that such a flight as this were unworthy of effort if some mishap were interpreted as a blow to the development of flying. Aviation should be supported by the public and business interests because of its tremendous importance, and the fortunes of one man, flying over a dangerous and inaccessible part of the continent, should merely indicate the future possibilities of aviation rather than be a criterion by which its safety may be judged...."

MOVING PICTURES
AND FOREIGN
TRADE

The use of motion pictures to develop American export trade is urged by the Bureau of Foreign and Domestic Commerce. Movies of American industrial activities, it finds, appeal to natives of foreign lands and constitute a good potential sales and educational medium. A list of the pictures most desired in thirty-seven countries, according to preferences expressed by various industries, has been completed. Austria prefers pictures of the spinning and weaving industry, transportation and electrification. Argentina wants scenes relating to agriculture, especially grain and its marketing; automobiles and photographic goods. Brazil and Mexico add road building, aviation and health promotion, while Rumania is interested in pictures of machinery, cosmetics, feminine attire and manikin displays.

BRITISH COTTON CENTER The N.Y. Times to-day reports: "What may be a step to wrest the center of British raw cotton trade from Liverpool and bring it to Manchester, in the heart of the cotton-spinning area, is seen in the establishment of a spot cotton market in the latter city after years of effort...."

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Section 2

Agricultural Engineering "Agriculture since 1920 has been operating under entirely different conditions from those under which it had been operating previous to that time. In the old days any man who went on a farm and stayed there could depend on the increase in land values making him fairly well off. Now he has to get it out of the soil, and the farm is no longer a refuge for the incompetent unless he wants to live like a pioneer. We have come to a period when all the economies which made other industries profitable must be applied, and in agriculture who but an engineer can figure what these economies are? I believe farmers generally are getting, and are likely to get, more help from the engineers than from any other single source." (Phillip S. Pose in Agricultural Engineering, December.)

Better Homes An editorial in The Iowa Homestead for Dec. 15 says: "Those Exposition who expect to attend the annual meeting of the Iowa Farm Bureau Federation to be held in Des Moines, January 11 to 13, inclusive, will be interested in knowing that in connection with this year's convention, the first Iowa Farm and Home Exposition will be staged. The exposition, as well as all the meetings of the Farm Bureau Federation, will be held in the Des Moines Shrine Temple. The object in putting on this exposition is to help add interest and value to the Farm Bureau convention by promoting better farm homes. In regard to the exposition, Charles E. Hearst, president of the Iowa Farm Bureau Federation, says, 'In these days when desirable living standards for the farm home are threatened and substitutes are being sought for the genuine and necessary things, it is imperative that we carefully consider the vital requirements necessary to the maintenance and the keeping of the American farm home intact.' The exposition will consist of varied exhibits of modern equipment of all sorts for the farm home as well as for the farm itself...."

Chemical Progress An editorial in The Wall Street Journal for Dec. 20 says: "Production of chemicals in the United States is now worth over two and a Quarter billion dollars a year. This is an increase of 600 per cent in a quarter of a century, and production is still going forward. These figures almost shout the story of American industrial progress. Why should there be such an enormous increase in production in that comparatively brief period? Out of this huge production we export about \$170,000,000 worth, but more than offset this by importing \$200,000,000 worth. The American people, therefore, are consuming six times as much of these commodities as in 1900. There surely must be a reason. It is true that our population has increased in the past 25 years, but not to anything near the increase in consumption of chemicals. In synthetic compounds chemistry is supplementing natural resources. This, too, adds to the consumption. But these two reasons can not begin to answer the question as to why there should be an increase....The inference is that advancing civilization and increased purchasing power together form the main reason for this development of the chemical industry. We can not truthfully claim that we are superior to the men and women who laid the foundations of this republic. But it is obvious that our civilization, measured by our standard of living, has advanced far beyond theirs even if we are not more civilized. With this advance in civilization has come a great increase in purchasing power. What were looked upon as luxuries in the earlier

times are considered necessities now. There is no limit to human wants and desires....That is why there has been an enormous expansion in the chemical industry; that is why it tells a story of the country's economic progress. Because we are able to pay for them, we are demanding better food, shelter, clothing, and more of the one-time luxuries of life. The products of the chemical trade are used by everybody and in every industry."

Corn Belt
Fertility

According to Prof. M.F.Miller, chairman of the department of soils, University of Missouri, the Corn Belt of the United States is losing its fertility although the improvement in farm implements and the quality of seed grains has offset to some extent these losses. Writing in the monthly review of the National Fertilizer Association, Professor Miller points out that during the last three generations of farmers the losses through crops and through soil erosion have reduced the content of nitrogen and of organic matter in the average Corn Belt soil by almost one-third. The difficulties in soil management are increasing, he says, and calls attention to the fact that the loss of lime has continued for such a period that the greater part of the belt needs lime for the satisfactory production of clovers and alfalfa.

Overproduction An editorial in The Michigan Farmer for Dec. 17 says: "There are two general types of surpluses with respect to agriculture. One is the day-to-day surplus resulting usually from a market which can not properly take care of products as offered. This type of surplus occurs most frequently in the case of perishable products and can be adjusted in part, at least, through a better knowledge from day to day of the market needs. But long-time surpluses create a different situation. These occur in the marketing of staple products. It is this type of surplus that constitutes the sore spot in agriculture to-day. It can not be settled alone through the control of surpluses by dumping or by developing marketing organizations. In its solution there must be a readjustment in the relation of production to consumption. That adjustment may require the introduction of new crops or different uses for a portion of the land, or the expansion of markets both at home and abroad. The unfortunate thing about dealing with surpluses is that producers suffer too severely from the losses which ensue. Losses, however, may be the only practical means of discouraging the production of surpluses. But, the mind of the American farmer will not be fully set at rest until some practical effort has been made to bring about a more satisfactory adjustment between the supply and demand of staple agriculture products."

Tariff Reduction An editorial in The Washington Post for December 19 says: "The day is approaching, as Secretary Jardine pointed out in his New York address, when American agriculture will do little more than supply the domestic market. The decrease in the tillable area and the increase in population are working to reduce agricultural exports from the United States each year. What advantage, then, may the farmers expect from a policy of tariff reduction? The answer should be carefully considered by all those interested in the future of farming...."

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Section 3
MARKET QUOTATIONS

Farm Products Dec. 20: Receipts of livestock at Chicago were estimated at 7,000 cattle, 3,000 calves, 40,000 hogs and 17,000 sheep. The hog market opened fairly active with prices generally steady. Top was \$8.80. Bulk of the good and choice 210 to 300 lb. hogs brought \$8.45 to \$8.75 with 180 to 200 lb. weights at \$8.15 to \$8.50. The cattle market opened strong to 25¢ higher on fed steers and yearlings. The top on fed steers was \$15.50 and that on yearlings \$15.25. Demand for stocker and feeder cattle was fairly active. Vealers were steady, packers paying \$10.50 to \$12 for the bulk and up to \$12.50 for a few small lots. Lambs opened slow with prices steady to weak on choice handyweights and 15¢ to 25¢ lower on others. Top sale was \$13.35 with the bulk of good desirable weights ranging from \$12.75 to \$13. Good grade heavyweight lambs sold from \$12 to \$12.50. Sheep were steady, fat ewes selling from \$6 to \$6.75.

Maine sacked Green Mountain potatoes closed at \$2-\$2.25 per 100 pounds in eastern cities; \$1.45-\$1.55 f.o.b. Presque Isle. Wisconsin sacked Round Whites sold at \$1.50-\$1.65 on the Chicago carlot market. New York Danish type cabbage brought \$10-\$18 bulk per ton in terminal markets; \$7-\$8 f.o.b. Rochester. South Carolina pointed type 75¢-\$1.25 per $\frac{1}{2}$ bushel hamper in eastern cities. New York and midwestern sacked yellow onions ranged \$1.75-\$2.25 per 100 pounds in consuming centers. New York Baldwin apples sold at \$6-\$6.50 per barrel in New York City; cold storage stock \$6 f.o.b. Rochester.

December future contracts on the New York Cotton Exchange declined 7 points to 19.18¢, and on the New Orleans Cotton Exchange they were down 9 points, closing at 19.22¢. On the Chicago Board of Trade December futures closed at 19.27¢ against 19.40¢ yesterday. The average price of Middling spot cotton in 10 designated markets declined 6 points to 19.10¢ per lb. On the corresponding day in 1926 the price stood at 11.83¢. Sales of spot cotton reported in 10 designated markets amounted to 13,480 bales compared with 20,996 bales for the same day last season.

The grain market was weaker influenced principally by the weakness in the corn market following the release of the December 1 official estimate which placed the corn crop about 33,000,000 bushels above the November 1 estimate and larger than generally expected in trading channels. December corn closed at Chicago at 84 1/8 a decline of 12¢ from yesterday's closing prices. December wheat closed at Chicago at \$1.27 1/8, Minneapolis \$1.23 1/2, Kansas City \$1.22 5/8. December oats closed at Chicago at 52 5/8¢ and December rye at \$1.07 3/4.

Wholesale prices of fresh creamery butter at New York were: 92 score, 52¢; 91 score, 51¢; 90 score, 47 1/2¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

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Vol. XXVII, No. 70

Section 1

December 22, 1927.

BEEF BOYCOTT REPORTS

Following the publication of Secretary Jardine's statement yesterday on the present prices for beef, the press to-day reports from Boston: "Boston hotel men, who recently asked their patrons to refrain from eating beef until prices were reduced or the quality improved, had no intention of threatening a boycott, George H. Clark, secretary of the City of Boston Hotel Associations, said yesterday. His statement followed the warning issued by Secretary Jardine. 'Complaints of the poor quality and high prices of beef have been coming from the public to such an extent,' Mr. Clark said, 'that the hotel men had to explain the situation.' It was not the intention of the association or its members, he explained, to do anything to disturb the interests of the beef industry."

FLOOD LEGISLATION

A new national governmental policy for the controlling of floods on the Mississippi River and other navigable streams of the country was placed before Congress yesterday in two bills. One measure, by Chairman Reid, of the House flood control committee, embodied many of the views of the opponents of the Mississippi flood plan proposed by the administration. It would lay upon the Federal Government the entire responsibility and cost for solving the stream's flood problem. A program for the control by the Government of other waterways where destructive inundations are threatened also was mapped out. Another bill, prepared by Senator Ransdell of Louisiana, which will be introduced after the Christmas recess, also proposed that the entire cost be borne by the Government. It proposed an appropriation of \$407,500,000 for a Mississippi project, to be expended at an annual rate of \$60,000,000. In both measures the Mississippi River Commission was designated to carry out the work. The Reid bill proposed an increase in the membership of the commission, placing more civilians on it, with the objective of securing appointment to it of engineers of national reputation. (Press, Dec. 22.)

NEW YORK LAND BANK

The New York Joint Stock Land Bank has purchased the New York and New Jersey Stock Land Bank of Newark, it was announced yesterday. The New Jersey institution was organized by Senator Joseph Frelinghuysen and others in 1922 and has assets of over \$4,000,000. The principal office of the New York bank was recently moved to Rochester in order that it might have a closer association with the agricultural interests of the State, and its capital was increased. ^{S.J.} McCune is president of both the New York and Ohio-Pennsylvania institutions. Dean B. Copeland has been elected vice president in active charge at Rochester, and the other vice presidents are Harper Sibley of Rochester and C.M. Hinman of New York. The report in the New York Times to-day says: "Senator Joseph Frelinghuysen, who has always shown a decided interest in agriculture, together with David McKay, who has been the active secretary of the New Jersey bank, will be added to the New York board. The New York bank will be the only institution of this character located in New York State and will be twelfth in size in the entire system. It will operate in New York and New Jersey--two States that are recognized as providing an excellent field because of their diversified agriculture, their high type of rural citizenship, their improved roads, with the greatest markets of the U.S. only a few hours away."

Canadian
Cooperation
Ideals

Section 2

An editorial in Ontario Farmer for Dec. 15 says: "One of the most interesting addresses at the recent U.F.O. convention was given by E.B.Ramsay, secretary, and managing director of the central selling agency of the Canadian wheat pools. It was expected that he would explain in full the success that the pools have attained in bringing more money to the producer. Mr. Ramsay did touch on this subject, but he surprisingly emphasized more strongly another aspect of the cooperative movement. 'There is,' he said, 'a great deal more to the farmers' movement than the mere dollars and cents of marketing. We should not lose sight of the fact that our main effort is really to make Canada a better place for our children.' That orderly marketing with resultant better prices to the farmer plays an important part in this endeavor Mr. Ramsay was prepared to admit, but he asserted that it was the spirit behind cooperation that was the motivating force for betterment. 'Our great pools would collapse overnight if our members hesitated in their trust or failed to play their part in the mutual undertaking,' was one of his interesting statements. The speaker deprecated the idea that the pools were aiming at the creation of wealth for their members. Wealth, he pointed out was but a relative term with little meaning for the mass of the western farmers. What was aimed at on the purely commercial side was rather a return for labor and investment that would place the means of decent living within the grasp of the farmer...."

Farm Economics An editorial in Farm and Ranch for Dec. 17 says: "The size of the profitable farm varies. There are many things to be taken into consideration, such as the farm program and the adaptability of the land to the use of power machinery. There is one factor, however, to be considered by every farmer, and that is the available supply of labor and its cost. It may be taken almost as an axiom that the farmer is most prosperous who produces at the smallest cost, which may be interpreted to mean the man who has his investment in just the right-sized farm. The right-sized farm is one that can be operated to an advantage by the farmer and his family with a minimum of hired help. The amount and kind of farm equipment is a determining factor in selecting the right-sized farm. Of late years the tendency has been toward larger farms except in cases where luxury crops are produced by intense fertilization and cultivation. Improved power-driven machinery has increased the number of acres one man can handle. Thus we have the properly-equipped farm producing at less cost, placing the man on the poorly-equipped farm at a disadvantage. In early days all farms were operated with a minimum of machinery. The cost of production was the same on one farm as another, except as such differences were brought about through management and a difference in the productive ability of the soil. The farm was the poor man's haven. If one failed in other lines, it was back to the farm for him. He was sure of a living. It is different to-day, and that difference will widen. The successful farmer to-day must have some capital and a goodly amount of managerial ability. Producing food and fiber has become a business. Farming is no longer an occupation."

1. *Leucosia* *leucostoma* *leucostoma*

Food Prices The retail food index issued by the Bureau of Labor Statistics of the United States Department of Labor shows for November 15, 1927, an increase of about two-tenths of 1 per cent since October 15, 1927; a decrease of a little more than 3 per cent since November 15, 1926; and an increase of a little more than 49 per cent since November 15, 1913. The index number (1913 = 100.0) was 161.6 in November, 1926; 156.1 in October, 1927; and 156.5 in November, 1927. During the month from October 15, 1927, to November 15, 1927, there was an increase in the average cost of food in 28 of the 51 cities. For the year period November 15, 1926, to November 15, 1927, 50 cities showed decreases.

French Industry France's "industrial barometer" of production and commerce for the month of September 1927, according to advices received by the Bankers Trust Company of New York from its French Information Service, showed a slight decrease, the index figure being 122.09 as against 129.62 for August, while for September 1926 it was 120.94. The general decline in economic activity is seasonal and usually lasts till October. Compared with those of the preceding month, September imports, with the exception of raw cotton (18,519 metric tons as against 17,155) declined: coal 1,727,097 metric tons as against 2,055,760; mineral oils 186,679 tons as against 219,609; phosphate and nitrate salts 252,930 as against 281,537; raw wool 11,926 as against 20,757 metric tons. The output of coal totaled 4,222,848 tons as against 4,379,010 and that of iron ore 3,871,219 as against 3,902,181 tons. Exports of lingerie alone showed a slight increase--834 metric tons as against 668 in August, while exports of cotton goods fell from 7,491 to 7,234 tons, those of woolens from 2,353 to 2,123, silks from 715 to 698 tons and exports of automobiles from 8,337 to 7,452 metric tons.

Installment Buying Abroad Installment buying, which has been so conspicuous a feature of American development, is making considerable headway in several of the leading commercial countries of Europe, says Basil Miles, American administrator at the headquarters of the International Chamber of Commerce at Paris, in a report to the American section of that organization. "In Germany," he reports, "installment buying has reached considerable proportions in articles of convenience, automobiles, vacuum cleaners, gramophones and other articles of general use. The Christmas sales in Berlin shops offer furs on reasonable terms of installment payment. In France, agencies of at least two automobile companies are extending the process. The domestic economy of every particular country must set the character and limit of the movement. But there is no question as to the movement being known abroad."

Section 3

Department of Agriculture An editorial in The Journal of Commerce for Dec. 21 says: "Announcement by the Department of Agriculture of a crop estimate for 1927 amounting to about \$8,500,000,000 for fifty chief crops, an increase of some \$635,000,000 during the past year, as compared with the year preceding, is worth some careful study in the light of recent claims regarding the altered position of the farmer. The reported increase represents, as will be clear, only about eight per cent on the entire farm income or worth of crops, and is clearly not enough

December 22, 1927.

to be the cause of any profound or far-reaching alteration of the farmer's economic position. Reference was made in these columns a day or two ago to the fact that many business forecasters are at this time finding in the farmer's enlarged buying power the basis for expecting all sorts of good things for 1928. The truth is now seen to be that this enlargement, even if taken on the basis of the department's figures, which are usually very favorable to the farmer, is hardly more than a single month's foreign trade of the United States. The current explanations and self-congratulations evidently rest on far too narrow a base....The immediate lesson to be learned from the recent figures which have been furnished by the Department of Agriculture is that it is far better for the farmer to work at the improvement of his economic condition through well known and tried means than by tinkering with prices, either directly or through what is called 'credit control.'..."

Section 4 MARKET QUOTATIONS

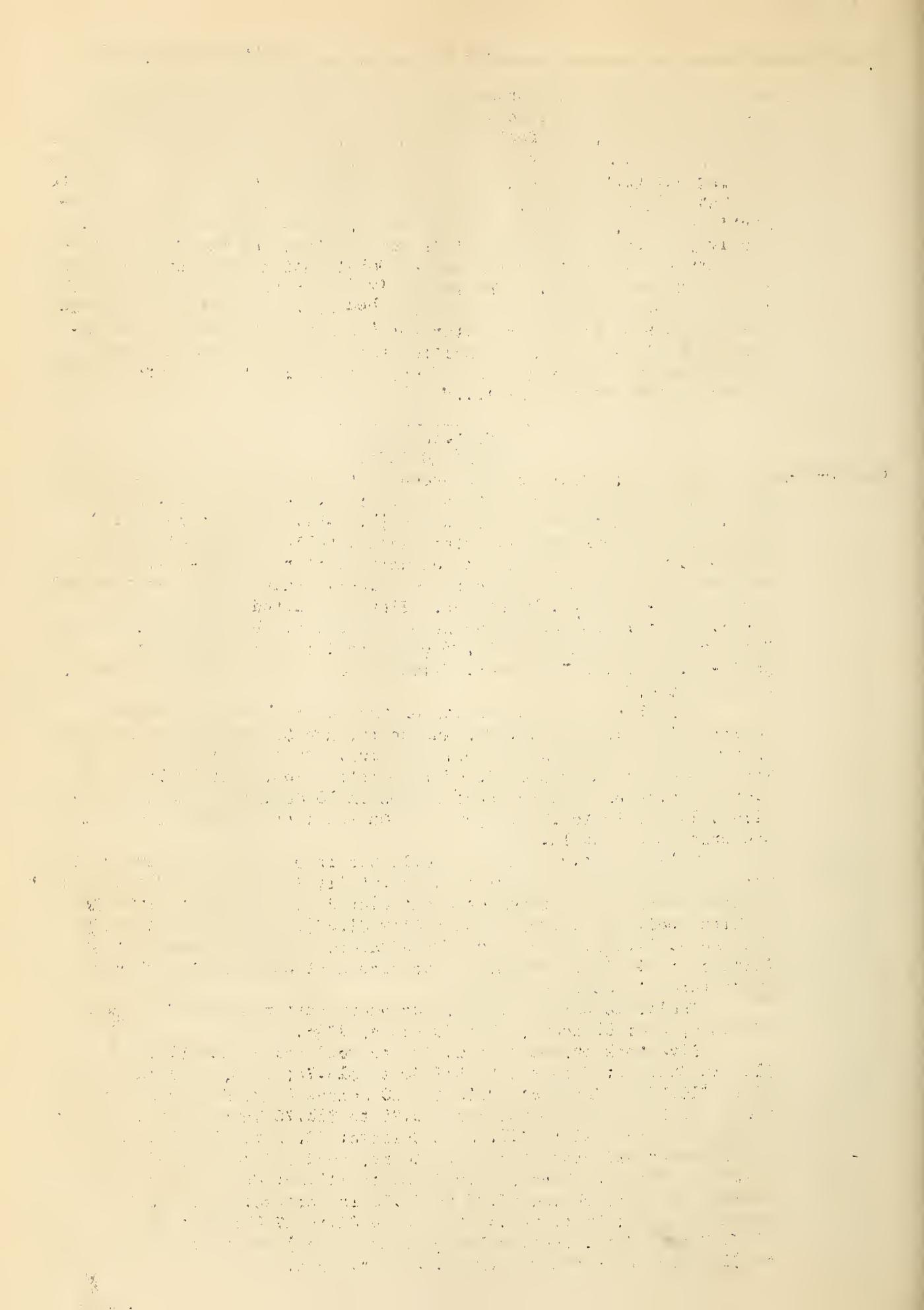
Farm Products Dec. 21: Maine sacked Green Mountain potatoes sold at \$1.85-\$2.25 per 100 pounds in eastern cities; \$1.40-\$1.50 f.o.b. Presque Isle. Northern sacked Round Whites \$1.40-\$1.65 carlot sales in Chicago. New York and midwestern sacked yellow onions closed at \$1.75-\$2.25 per 100 pounds in consuming centers; \$1.85-\$2.05 f.o.b. New York Danish type cabbage ranged \$10-\$18 bulk per ton in terminal markets; \$7-\$8 f.o.b. Rochester. Florida pointed type brought \$1-\$1.25 per $1\frac{1}{2}$ bushel hamper in a few cities. Baldwin apples from New York State sold at \$6-\$6.25 per barrel in New York City; \$5.75-\$6.25 f.o.b. Rochester. Michigan Jonathans \$8-\$9 in Chicago, Baldwins \$6-\$7.

December future contracts on the New York Cotton Exchange declined 16 points to 19.02¢, and on the New Orleans Cotton Exchange they were down 22 points, closing at 19¢. On the Chicago Board of Trade December futures declined 12 points, closing at 19.15¢. The average price of Middling spot cotton in 10 designated markets declined 19 points to 18.91¢ per lb. On the corresponding day in 1926 the price stood at 12.06¢.

Holiday activities were reflected in a rather inactive grain market and prices at the close were but little changed from yesterday's closing quotations. December wheat closed at Chicago at \$1.26 $7/8$, at Minneapolis at \$1.23 $\frac{1}{2}$, Kansas City \$1.22 $\frac{1}{4}$. May wheat closed at Chicago at \$1.30 $\frac{1}{2}$. December corn advanced slightly closing at Chicago at 84 $5/8$. December oats closed at 52 $\frac{1}{2}$ ¢ and December rye at yesterday's close of \$1.08.

Wholesale prices of fresh creamery butter at New York were: 92 score, 52¢; 91 score, 51¢; 90 score, 47 $\frac{1}{2}$ ¢.

Livestock prices quoted: Steers good and choice \$13.50 to \$18. in Chicago; Kansas City \$12.40 to \$16.75; Cows, good and choice \$8 to \$10.75 in Chicago; \$7.15 to \$10 Kansas City; Heifers, good and choice \$9.50 to \$13.25 Chicago; \$9.75 to \$13.75 Kansas City. Vealers good and choice \$11 to \$13.50 in Chicago; \$8.50 to \$10.50 in Kansas City; Feeder and stocker cattle steers, good and choice, \$9.75 to \$11.75 in Chicago; Kansas City \$9.25 to \$11.25; Hogs, heavy weight medium, good and choice \$8.25 to \$8.85 in Chicago; \$8.10 to \$8.45 in Kansas City; Ewes, medium to choice \$4. to \$7 Chicago; \$4.25 to \$6.75 Kansas City; Feeding lambs (range stock) medium to choice \$11.50 to \$13 Chicago. (Prepared by Bu. of Agr. Econ.)



DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVII, No. 71

Section 1

December 23, 1927.

THE PRESIDENT SIGNS DEFICIENCY BILL The first deficiency bill was signed by President Coolidge yesterday. It carries appropriations totaling more than \$200,000,000, of which \$703,224 is for the District of Columbia. Among the items are \$40,000 for reconstruction of the Virginia abutment of the Chain Bridge, and \$300,000 for a national arboretum at Washington. (Press, Dec. 23.)

THE TAX BILL The press to-day says: "Facing the prospect that Congress may appropriate large amounts of money for various projects now being urged on every side, administration leaders in the Senate are expected to attempt to hold the tax reduction bill in the Senate finance committee until about March 15, by which time comparatively accurate estimates can be made of the Government's anticipated revenues and Congressional appropriations. . . ."

CONGRESSIONAL MEASURES A total of 8,459 measures introduced and forty-seven bills and resolutions passed made up the work of the House up to the start of its Christmas recess. Messages received from President Coolidge numbered 34, and 256 Executive documents were presented, as well as 417 petitions and memorials. Bills and resolutions reported out by committees totaled 75. A total of 22 bills and joint resolutions were passed and sent to the Senate, while 25 other resolutions requiring House action only were approved. (Assoc. Press, Dec. 23.)

RADIO BOARD PROBLEMS Three major problems--length of license for broadcasting stations, allocation of short waves and elimination of stations not performing adequately--were indicated yesterday at the office of the Federal Radio Commission as the most important business requiring its attention before March 15, when its existence ends by statute as an administrative body. The commission still has one vacancy, caused by the death of Admiral Bullard, the Chairman. Two of its present members have not been confirmed by the Senate and will not be until after hearings by the Interstate Commerce Committee early in the new year. (Press, Dec. 23.)

FLORIDA AIRPORT Secretary Mellon Dec. 21 designated Meachen Field, operated by the Pan-American Airways, Inc., at Key West, Fla., as the first airport of entry to be established in the United States. Washington officials favor establishment of other such airports of entry in view of the great strides being made in the science of flying. (Press, Dec. 22.)

Section 2

Horticultural An editorial in Southern Florist for Dec. 16 says: "The fine Cooperation address of J. Horace McFarland's delivered at the 100th anniversary meeting of the Pennsylvania Horticultural Society (and which we are printing in this issue), while reviewing with pride the great strides that horticulture has made in the past hundred years, assures us that it has not kept pace with the progress in mechanical inventions, manufacturing, commercial and other lines. The speaker closes with a plea for accelerated activity, and a more unified, purposeful activity, on behalf of horticulture in all its departments. Quoting Francis Bacon's classic utterance that 'A man shall ever see that when ages grow to civility and elegance, men come to build stately sooner than to garden finely; as if gardening were the greater perfection,' he concludes that the time is now ripe when America should 'garden finely.' He names some hopeful signs pointing toward this consummation, and suggests certain promising lines of development. One of the important preliminaries, he implies, is to cooperate and unify all organized horticultural effort under one banner and one harmonizing head, and he sees in United Horticulture (of which E.L.D. Seymour is the executive secretary) the agency to bring about this desired end. We hope our readers will take the time to peruse the entire address."

International An editorial in The Ohio Farmer for Dec. 10 says: "Another Livestock International Livestock Exposition, the greatest classic of the Exposition livestock industry, has passed into history and we can write about it as of all of its predecessors, it was the best. As long as there is improvement in the art and science of breeding and feeding.. livestock there will be improvement in this 'court of last resort' for the good livestock producer. To be a better show it does not have to be a bigger show. Quality and topgrade and not necessarily quantity is the slogan of the livestock men just the same as for the producer of other farm commodities. There seemed to be a solidarity about the show this year, especially the cattle show, and no doubt the reason was to be found right out in the stockyards near the show pavilion where market cattle were being bought and sold. If any industry has suffered during the so-called deflation period since the war it has been the cattle industry but it has carried on in spite of it. Low prices naturally tended to cut down the herds and now when prices are coming back, a cattle shortage can not be made up in a short time. The prosperity due to good cattle prices will extend further than just among cattle producers and an exposition such as the International, based upon an industry as sound and as prosperous as the livestock business promises to be, is bound to be a success."

Soil Fertility An editorial in The Progressive Farmer for December 10 says: "Better production methods are offered as a solution to our present-day farm problem. In other words, it is believed that if farmers will grow crops more efficiently and thus decrease the cost of production, the farm problem will be solved. The Progressive Farmer is one of those who are firm believers in the need of better production methods, and we do not wish to say anything that would in any way leave the impression that we are not giving due consideration to production problems. But as we have said a number of times, something else is needed. Dr. Macy Campbell, in his much-talked-of book, Rural Life at

the Crossroads, hits the nail on the head when he says that under present difficult economic conditions, a farm tenant finds it very difficult indeed to put into practice those methods of farming that will increase soil fertility and also acre yields. In other words, he is in a rut and it is a hard matter for him to farm very much more efficiently than he is now doing...."

Vocational Agricultural Education in Ohio. An editorial in The Ohio Farmer for Dec. 10 says: "Vocational agriculture is making its impress on Ohio farms with a group where Education in the lesson sticks. It works with the boys and young men, those Ohio who are eager to learn and do. Results come quickly. They are vitalized. They are sure to be far-reaching and enduring. This year Ohio had 185 such departments in high schools of 77 counties, with an enrollment of 8,548. They completed 2,184 productive projects that averaged \$121 to the boy on the farm. Besides these practical demonstrations at home these boys held many demonstrations, 725 in the year, reaching almost 16,000 farmers. They had exhibits at 87 farmers' institutes and at 79 community fairs, reaching over 80,000 people. These boys had unusual opportunity to widen their vision of agriculture by trips outside their communities, 88 tours to the experiment station, 49 to substations, 185 to the college of agriculture, 135 to the State fair, and 72 that followed their products through to markets in the large cities. There are minor projects that might be mentioned too. They tell a story that augurs well for the youth on Ohio farms. The practical farm course offered in high school is covering Ohio like a blanket and is already redounding to the benefit of her farms and rural families."

Western Fruit Organization. An editorial in The Oregon Farmer for Dec. 15 says: "Basing his prediction on statements of men prominent in the Pacific Coast fruit industry, Seymour Jones, State market agent, who participated recently in a meeting of California fruit growers at Stockton, said he expected to see the entire industry organized into one large association which would give its attention entirely to common problems of fruit growers in the various States. This was held to be the only way of stabilizing markets and insuring the future of the industry on the coast. In similar vein, there has come out of Idaho a proposal to establish in middle western markets a common agency for handling northwestern fruit, and some preliminary work toward this end has been accomplished. Washington, Oregon and Idaho fruits bear different labels and have distinct characteristics, but virtually they are identical, it is pointed out, and might just as well be distributed by a single agency. Full information on either proposal is lacking, but both appear to be pointing toward ultimate solution of some of the selling and distribution problems which to-day constitute a real handicap to the fruit growing industry of the West."

Section 3

Department of Agriculture

An editorial in The Ohio Farmer for Dec. 10 says: "Secretary of Agriculture Jardine announced last week that the Department of Agriculture would not ask Congress to make any appropriations for compensating farmers for corn borer cleanup during 1928. It is and has been our expressed opinion that farmers should be compensated in the proportion that their cleanup protects the uninfested area. It

December 23, 1927.

is true that such a sum will amount to considerably more than in 1927 but until a system of agricultural practice is devised that will control the borer the farmer should be compensated for the economic disadvantage he is placed in by the required cleanup. It is up to the farm organizations to present the farmers' case to Congress which can outline a policy for the Department of Agriculture to follow."

Section 4
MARKET QUOTATIONS

Farm Products Dec. 22: Maine sacked Green Mountain potatoes sold at \$1.85-\$2.25 per 100 pounds in eastern cities; \$1.40-\$1.45 f.o.b. Presque Isle. Wisconsin sacked Round Whites brought \$1.50-\$1.65 carlot sales in Chicago; very few sales at \$1.25 f.o.b. Waupaca. New York Danish type cabbage \$10-\$18 bulk per ton in terminal markets; \$7-\$8 f.o.b. Rochester. South Carolina pointed type \$1-\$1.25 per 1½-bushel hamper in the East. New York and midwestern yellow onions closed at \$1.75-\$2.25 sacked per 100 pounds in consuming centers; \$1.80-\$1.90 f.o.b. New York Baldwin apples sold at \$6.50 per barrel in New York City. Michigan Baldwins \$6-\$7 in Chicago; Jonathans \$8-\$9.

Livestock receipts at Chicago were estimated at cattle 7,000, calves 3,000, hogs 48,000, and sheep and lambs 10,000. The hog market opened slow with prices about steady with Wednesday's average, but 5 to 10 cents lower than yesterday's best time. The top was \$8.80. Bulk of good and choice 210-300 lb. hogs sold from \$8.40 to \$8.75, with 160-200 lb. weights at \$8 to \$8.50. The market was less active on light weight steers of the lower grade. Cows and heifers were strong to 25¢ higher. Stockers and feeders were unevenly higher, country demand being moderately broad. Several loads of fed steers brought \$17. The bulk, however, ranged from \$12.50 to \$15, and a few sold from \$10.50 to \$11.50. Vealers were steady, selling from \$11 down. The close was firm at the advance. The lamb market opened strong to 15¢ higher on better grade stock of desirable weight. Heavy weight and lower grade lambs were slow sellers at about steady prices. The top was \$13.50 with the bulk of handy and medium weight lambs selling from \$12.75 to \$13.25. Medium and good grade feeding lambs brought \$12 to \$12.75. Fat ewes sold generally from \$6 to \$6.75, with some late sales up to \$7. The lamb market closed firm and 15 to 25¢ higher than yesterday's average.

Wholesale prices of fresh creamery butter at New York were: 92 score 52¢; 91 score, 51¢; 90 score, 48¢.

January future contracts on the New York Cotton Exchange declined 18 points to 18.78¢, and on the New Orleans Cotton Exchange they were down 3 points, closing at 18.98¢. On the Chicago Board of Trade January futures declined 6 points to 19.05¢. The average price of Middling spot cotton in 10 designated markets closed at 18.92¢ per lb. compared with 18.91¢ yesterday. On the same day in 1926 the price stood at 12.03¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVII, No. 72

Section 1

December 27, 1927.

CITY POPULATION CENSUS The Census Bureau to-day issues a statement on the population of 255 American cities. According to the report Washington's population now is 540,000, an increase of over 100,000 over census totals for 1920. New York City had a total estimated population on July 1, 1927, of 5,970,800 in the boroughs of the Bronx, Brooklyn, Manhattan, Queens and Richmond. Census Bureau experts figure that by the middle of next year New York will have more than 6,000,000 inhabitants and that Cleveland will move into the 1,000,000 class before the 1930 enumeration. The four cities in the million class showed no change in relative rank from estimates of a year ago. Chicago, second city of the country, had a growth in the year 2,000 less than that of New York, which was 56,800, and is estimated at 3,102,800. Philadelphia, third largest city, is credited with 27,900 increase and a total of 2,035,900. Detroit, last of the "big four," increased 44,500 to 1,223,500. In the 500,000-to-1,000,000 class, Cleveland leads with 972,500, followed by St. Louis 839,200, Baltimore 819,000, Boston 793,100, Pittsburgh 665,500, Los Angeles, not estimated (576,673 in 1920); San Francisco 576,000, Buffalo 550,000, Washington 540,000, and Milwaukee 536,400. There are no changes in relative position in the 400,000 class: Newark 466,700, Minneapolis 447,700, New Orleans 424,400, and Cincinnati 412,200. The 300,000 class gained Toledo and found Seattle advancing to second place: Kansas City, Mo., 383,100; Seattle 375,300, Indianapolis 374,300, Rochester 324,500, Jersey City 321,500, Louisville 320,100, and Toledo 305,400. (Press, Dec. 27.).

FRENCH STATEMENT ON CORN BORER An Associated Press dispatch Dec. 24 from Paris says: "The corn borer, which threatens disaster to the corn belt of the middle West, can be fought successfully, think French scientists, by introducing wormwood into the United States. This was given definitely as a fairly certain solution by Dr. E. Roubaud, of the Pasteur Institute, in a paper read before the Academy of Sciences by Dr. Bouvier. Dr. Roubaud is chief of the Pasteur Institute's entomological laboratory. The devastating corn borer, called here 'pyrale,' is prevalent in France and is said to have been taken to America by way of Canada. Here, however, it prefers life in the weed-like plant wormwood, says Dr. Roubaud, and, therefore, is not a menace to agriculture or horticulture. Wormwood, fairly rare in the United States, is prolific here, where it was used in the manufacture of absinthe, the liquor now prohibited. Dr. Roubaud proceeded on the theory that since the corn borer never bothered corn in France that it found something else more to its taste. Since 'armoise' or wormwood seems to be its usual breeding and feeding ground, he came to the conclusion that the wide cultivation of this weed in the corn region of the United States would solve the problem."

BREAD EATING URGED BY KANSAS HOTELMEN An Associated Press dispatch Dec. 25 from Topeka, Kans., says: "Reversing the 'eat less wheat' pleas of war time, Kansas hotel and restaurant proprietors are urging guests to consume more white bread, hoping thereby to increase the demand for wheat, principal agricultural product of the State. The prosperity of hotels and restaurants in Kansas is dependent on the prosperity of farmers, hotel and restaurant men agreed."

10. The following table gives the number of hours per week spent by students in various activities.

December 27, 1927.

Apple Yields Better Fruit, (Portland, Ore.,) for December says: "Lewiston in Oregon Orchards, in the Lewiston district, claims to hold the world's record in yield per apple tree, according to reports from there. Two Rome Beauty trees on the John W. Wilks place averaged 54 boxes to the tree, each box weighing in the neighborhood of 50 pounds, an average of 2700 pounds to the tree. This was vouched for by several people engaged in picking."

Automobile Deaths Automobile accidents were responsible for 618 deaths in seventy-seven large cities of the country during the four-week period ended Dec. 3, the Department of Commerce announced Dec. 18, compared with 632 during the like period of last year.

British Agricultural Policy An editorial in Country Life (London) for Dec. 10 says: "Despite all that has been written and said in recent months regarding the problems affecting British agriculturists, an agricultural contemporary bluntly states 'we do not believe that the agricultural problem...can be solved...by any system yet propounded by either of the three political parties.' The remedy which is advanced as the solution of existing evils is 'full-blooded protection,' and it may be assumed that this still represents the official opinion of a large number of farmers. This implies direct political action which would be antagonistic to the opinions of the majority of the electors in this country, as proved by the experiences of a number of general elections....That there are other views held by men of experience is well known, and at this juncture the opinions of Sir Horace Plunkett are entitled to serious consideration. In 1919 Sir Horace had completed thirty years of constructive work in Ireland, during which period he helped to found an agricultural cooperative movement, while he was also the chief of the Department of Agriculture and Technical Instruction for the first seven years of its existence. Experiences of this character are rare, yet in summarizing these, Sir Horace stated, some time ago, 'I came to see that what farmers could do for themselves by well organized cooperation was of far greater value than what the Government could do for them. It followed that State aid should be so administered as to evoke and supplement, but in no wise to provide a substitute for voluntary effort.' There can be but little disagreement with an outlook on agricultural affairs of that order, and if 'self-help' has achieved success elsewhere, there is no reason to believe that it can be less effective in this country..."

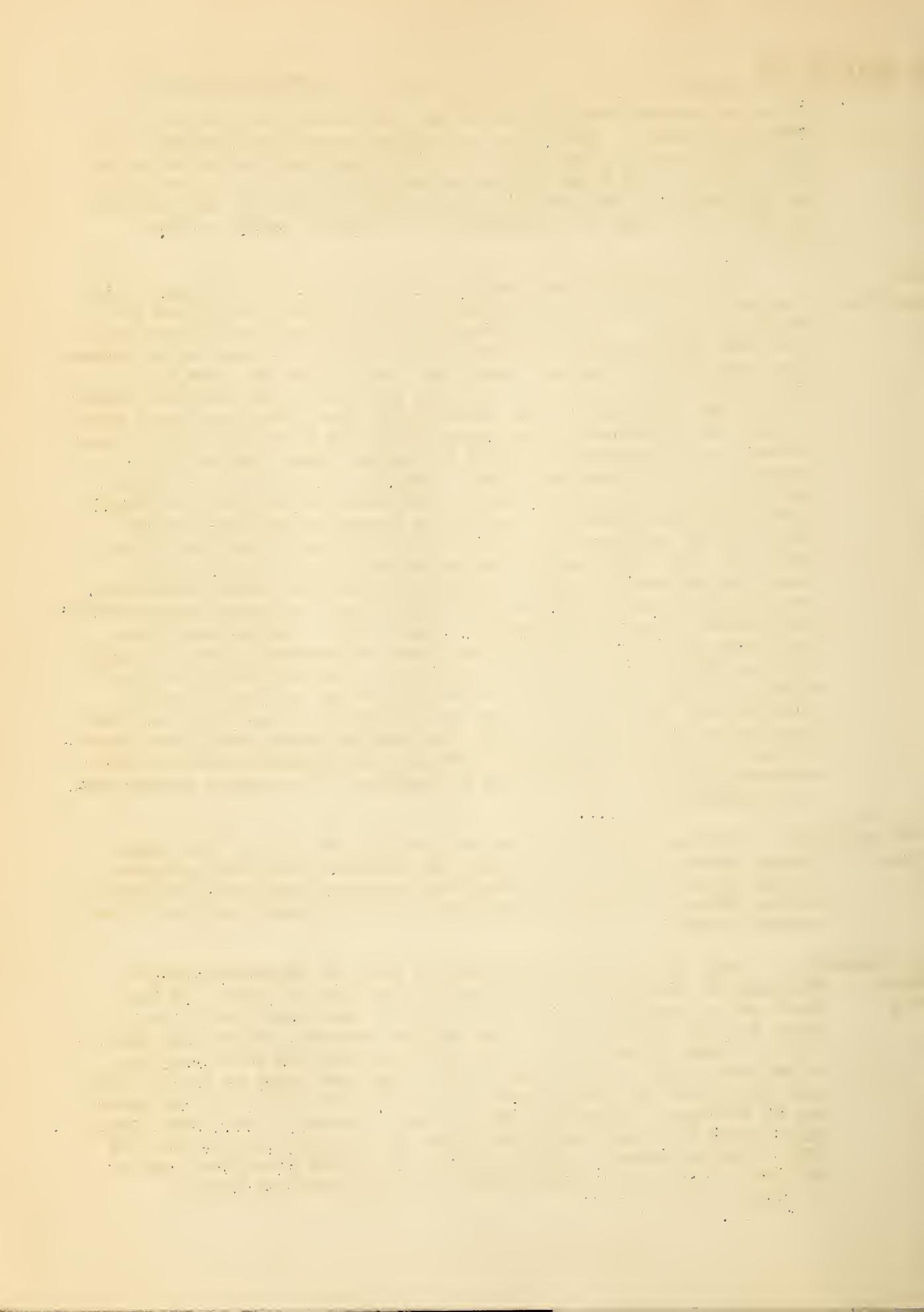
California Fruit Business An editorial in The Blue Anchor for December says: "At no time in the history of the fruit business in California has there been a greater need for cooperation among producers than at present. Nearly everyone who knows anything about the industry is aware of the tremendous increases in production. Not the least of these developments have come about through the expansion in foreign countries of the industries in which California is concerned.....We like to think in the California Fruit Exchange, in fact, we know, based on an experience of twenty-six years in the successful cooperative marketing of California deciduous fruits, that you can not stretch cooperation beyond dollars and cents. So, while there is a great deal of sentiment and feeling for cooperative marketing organizations, which is splendid, at the same time, it must always be remembered that without a sound financial program cooperative effort will fall of its own weight. The present position of

financial independence enjoyed by the California Fruit Exchange has been the result of painstaking savings and accumulated earnings over a period of years. The refund or withholding plan has demonstrated its soundness, and under this arrangement the Exchange has refunded to its growers in the past ten years nearly \$5,500,000, in addition to which the grower has received the full market value for his fruit....."

Fruit Cooperation I. J. Woodin, Sales Manager of California Fruit Exchange, in a review of the 1927 deciduous fruit season, in The Blue Anchor for December, says: ".....The Gravenstein apple growers went ahead and organized their industry into one large growers' cooperative organization, embodying a clearing house plan. Nearly 100 per cent of the Gravenstein growers and about the same per cent of the shippers lined up with the organization, the result being that the growers were able to name reasonable minimum prices prior to the shipping season, which prices were maintained throughout the entire year. Instead of a chaotic condition existing in the sales and distribution of Gravenstein apples, as in former seasons, the Gravenstein growers of California enjoyed a reasonably profitable season in spite of a short crop. As far as Gravenstein apples are concerned it can safely be said that their experiment in marketing and distribution this past season proved satisfactory. The grape growers also went ahead with their plan for an organization, developing the California Vineyardist's Association, a non-profit growers' organization, and in their plan they arranged for a clearing house, based on somewhat different lines from the apple growers in that it was purely an information bureau, with no attempt being made to dictate prices or arbitrarily handle distribution. While many growers and shippers of grapes did not line up with the organization, or with the clearing house, sufficient growers and shippers did cooperate to enable the industry to gain a very comprehensive idea of what might be expected if the entire tonnage was fully organized....."

Marconi and Beam A London dispatch to the press of Dec. 23 states that Signor Wireless Marconi expects soon to superimpose an efficient wireless telephone service on the beam now radiating from London to most parts of the British Empire, it was announced Dec. 22 at the annual meeting of the Marconi Company.

Turkey Industry Judge Ed. L. Hayes, president of American Turkey Breeders' in North Dakota Association, writing in Commercial West for Dec. 17, says: "A few years ago we were told that it would not be many years until the great American bird would be seen only in museums. Now we have millions of them on the farms of the Northwest where 10 years ago only a few farms raised these great birds. Many farm women as well as the men folks, have an annual income of from \$200 to \$1,200 and the raising of turkeys is becoming a specialized business.....One North Dakota man started in a small way three years ago and this year raised over 800, a fair estimate is that his turkey crop will bring him close to \$10,000. Toms in his flock weighed over 22 pounds the 15th of October....."



Section 3
MARKET QUOTATIONS

Farm Products For the week ended Dec. 23: Livestock prices quoted at Chicago:

The hog market opened generally steady except on pigs and light weights which were 10 to 25¢ higher. Top was \$8.85. Cattle were in very limited supply, and most of them weighed under 1200 lbs. Long yearlings topped the day's market at \$15.50. Cows and heifers were wanted, and prices ranged from steady to slightly higher. Stocker and feeder cattle were in moderate supply and good demand. Market closed steady. The lamb trade was fairly active with prices strong to 15 cents higher.

Maine sacked Green Mountain potatoes \$1.85-\$2.25 per 100 pounds in eastern cities; \$1.40-\$1.45 f.o.b. Presque Isle. Wisconsin sacked Round Whites \$1.50-\$1.65. carlot sales in Chicago; very few sales at \$1.25 f.o.b. Waupaca. New York Danish type cabbage \$10-\$18 bulk per ton in terminal markets; New York and midwestern yellow onions \$1.75-\$2.25 sacked per 100 pounds in consuming centers; \$1.80-\$1.90 f.o.b. New York Baldwin apples \$6.50 per barrel in New York City. Michigan Baldwins \$6-\$7 in Chicago; Jonathans \$8-\$9.

The New York Butter market ruled firm on top grades at unchanged prices. Trading was fair and supplies of fancy goods were closely cleared. Medium and lower grades were steady with demand slow. Closing prices on 92 score: 52 cents.

New York Cheese market was firm at unchanged prices. Trading continued firm but there was no disposition to shade prices. Closing prices at New York on No. 1 American Cheese: Fresh single daisies $28\frac{3}{4}\%$; Single Daisies $29\frac{1}{2}\%$; Young Americas $29-29\frac{1}{2}\%$; Held Flats $29-29\frac{1}{2}\%$.

Average price of Middling spot cotton in 10 designated markets advanced 26 points to 19.18¢ per lb. Sales of spot cotton reported in 10 designated markets amounted to 12,172 baled against 20,881 bales on the corresponding day last year. January future contracts on the New York Cotton Exchange to-day advanced 27 points to 19.25¢, and on the New Orleans Cotton Exchange they were up 27 points, closing at 19.25¢.

Pre-holiday dullness prevailed in the grain market to-day but prices declined rather sharply for the principal grains. December wheat closed in Chicago at \$1.25; Minneapolis \$1.21 5/8; Kansas City \$1.21. The corn market declined about 3 1/2¢ influenced by heavier receipts and a somewhat slackened demand. December corn was quoted at the close of the market at Chicago at $83\frac{1}{2}\%$; December oats, slightly lower at 52¢; and rye 1¢ lower at \$1.06 1/8. (Prepared by Bu. of Agr. Econ.).

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVII, No. 73

Section 1

December 28, 1927.

AT THE LEARNED SOCIETIES MEETING A stable or slowly declining price level will prevail in the United States during the next ten or twenty years, according to present tendencies, Dr. Frederick C. Mills, of Columbia University, declared at a joint meeting of the American Economic and the American Statistical Associations at Washington yesterday, when those groups met in connection with the annual convention of the American Council of Learned Societies. Increasing stability of individual prices and of business in general was predicted, with a decline in the importance of speculative elements in dealings in commodities. Dr. Mills foresees a slow but sustained increase in the purchasing power of agricultural products and a gain in the real earnings of manufacturing labor at a rate somewhat greater than that which prevailed before the war. He gave a summary of recent developments against the background of prewar price movements in a paper on "Postwar Prices and Prewar Trends," prepared after a study of the price records for the years 1890 to 1927, inclusive.

Hand-to-mouth buying is a logical development and although not a new movement, it has been given added impetus by certain developments of postwar years, Dr. F. E. Clark, professor of marketing at Northwestern University, declared.

Joseph S. Davis, of the Food Research Institute of Stanford University, told the meeting that the United States Census Bureau, in his opinion, suffers from "chronic financial malnutrition." It is generally believed, he said, that the inadequacies in enumeration in some of the agriculture census is due in no small measure to the low rate of pay for the enumerators. Federal agricultural statistics do not command confidence, he declared, and it is important that measures be taken to increase the accuracy and degree of completeness in future census data on agriculture. It is partly a matter of organization, he said, and the proposal that the task of administering the agricultural census should be transferred to the Department of Agriculture deserves consideration. (Press, Dec. 28.).

ADVANCEMENT OF SCIENCE MEETING A report of the meeting of the American Association for the Advancement of Science at Nashville, Tenn., yesterday says: "Because it meets this year in a city which is the centre of a rich farming region, the American Association for the Advancement of Science is paying more than the usual amount of attention to plant diseases and insect pests....A formidable new menace is the Mexican fruit worm, which is playing havoc with grapefruit in the lower Rio Grande Valley of Texas. A quarantine was placed on the valley by the Federal Horticultural Board, with results that have been promising. Unless the pest is eradicated, the entire fruit industry from California to Florida is threatened. More light was thrown on vitamins by Dr. John W. Crist and Dr. Marie Dye of Michigan State College. All told, five vitamins have been discovered and have been designated by the first five letters of the alphabet...."

BRITISH AIR SUBSIDY A subsidy to British civil aeronautics of \$17,000,000 since 1921 has made possible a rapid development, according to Brower V. York in a trade bulletin issued by the Department of Commerce.

Airports for New York Area committee appointed six months ago by Secretary Hoover to study the problem of providing proper airport facilities for the metropolitan area made its report last week. The committee recommends the immediate development of a tract of 160 acres in Queens, which can be increased as the need arises to 300 acres, or a half mile square. In addition to this the committee selected five other sites to serve every New York borough save Richmond, and Hudson and Essex Counties, in New Jersey.....The report was made public at a luncheon at which William P. MacCracken Jr., Assistant Secretary of Commerce, presided. Mr. MacCracken said: "Within twelve or fifteen months we are going to be traveling by air on a greater scale than anything Europe is able to show, if I am any judge of the times."

Beef Boycott An editorial in The New York Times for Dec. 27 says: "The price of cattle at Chicago has for some weeks ruled the highest for years.....One result has naturally been to raise the price of meat. In consequence, there has been in several eastern cities, notably here in New York, a movement to refuse to buy meat until the prices are lower. This has alarmed the western packers, who have sent out circulars informing consumers that the price of meat is necessarily regulated by the price and supply of cattle. Here was an opportunity to do something for the western farmers who raise steers, and there was a tacit appeal to eastern buyers to bear this in mind when they were paying more for meat. There has been nothing like a formal boycott; simply a quiet agreement to make use of other forms of food until meat becomes cheaper. Two or three years ago a similar resolve not to buy eggs at exorbitant prices was thought to have been successful in forcing them down on the market. It is expected, though it does not seem probable, that the same thing will quickly occur in the case of meat... The confident expectation has been that the meek American consumer would submit to all this without a murmur. But would he? He has been learning something of his power in such matters. He also knows a lot more than he used to about food substitutes. If bread becomes too high, he will turn to spinach and carrots and cabbage and turnips. If the worse comes to the worst, he will cheerfully undertake a certain amount of dieting--which, for the rest, he has often been told would be a good thing for him anyhow....."

Boycotting the West An editorial in Chicago Journal of Commerce for Dec. 23 says: "The eastern threats of a boycott on beef because of its high prices are not a credit to the East. Newspapers in the manufacturing communities in which these threats have been made should repeat and emphasize the words of Secretary of Agriculture Jardine: 'The present prices for beef seem unduly high only because they are compared with prices of the past few years, which were ruinously low to the cattle growers. This year, for the first time since 1920, cattlemen as a whole have received fairly remunerative prices for their cattle. In the other six years cattle prices were so low most of the time that large numbers of producers were forced out of business and cattle numbers have been drastically reduced.' Ten weeks ago a number of live-stock dailies sent a telegram to metropolitan newspapers throughout the country, commenting as follows on the widely broadcast news that the new record prices for all time, outside of war years, were being paid

December 28, 1927.

for cattle: 'For the past six years the workers of the country have had cheap food at the expense of agriculture. In fairness to farmers no objection should be raised to present prices. The matter is largely in the hands of the metropolitan newspapers of the country. We ask that they be fair in news and editorial expressions.' If the eastern newspapers grant this fairness, the proposed boycotts will prove impossible. The boycotting of beef would arouse the quick resentment of the cattle range country, of the cattle-feeding sections, and of farming areas in general. Manufacturing communities, principally in the East, have had the benefit of adequate tariff. The cattle industry has enjoyed no comparable protection. Since 1920 many cattlemen have gone broke, their herds have been broken up, and as a result there is a scarcity of cattle. Now the men who have hung on in the business by their teeth are getting some benefit. Certainly these men are entitled to it....."

Iowa Bank
Dividends

A Des Moines dispatch Dec. 22 says: "The payment of nearly \$1,700,000 in dividends by banks which have failed in Iowa in recent years is announced at Des Moines by L. A. Andrew, State bank examiner. The payments will be made by thirty-four banks. Four of them will be paying final dividends....."

New Calendar
Requested

The press Dec. 25 states that The League of Nations has asked the United States to cooperate in the movement to rewrite the Gregorian calendar, or substitute instead the international fixed calendar of thirteen months, which has been warmly indorsed by many important business men of the United States and other countries. A formal request has been submitted to the State Department through the Secretary General of the League.

New England
Flood Credit

A Boston dispatch to the press of Dec. 27 states that machinery to raise \$1,000,000 in credit for agricultural, commercial and industrial establishments that were damaged by the flood in Vermont is now in operation, and subscriptions to bonds of the New England Flood Credit Corporation are being received, it was announced Dec. 26 by John S. Lawrence, president of the New England Council. Directors of the corporation have fixed the following quotes: Maine, \$50,000; New Hampshire, \$30,000; Rhode Island, \$75,000; Massachusetts, \$385,000; Connecticut, \$110,000, and New York, \$100,000.

Reserve Board on
Business

Industrial activity and freight carloadings declined further in November, while retail trade showed more than the usual seasonal increase, the Federal Reserve Board announced Dec. 26 in a summation for the month. The general level of wholesale commodity prices, after advancing for four months, the board said, remained practically unchanged in October and November. "Output of manufactures and minerals in November and the combined index of production, after adjustments for customary seasonal variations," the statement continued, "fell below the 1923-1925 average for the first time since 1924. The largest decline was in the output of automobiles owing largely to preparation for production of new models. Iron and steel production also has declined further and in November was the lowest since 1924...."

Section 3
MARKET QUOTATIONS

Farm Products Dec. 27: Hogs weighing upwards from 200 lbs. were generally steady at Friday's best time while lighter weights responding to a broad shipping demand were active and 10¢ to 15¢ higher with spots up more. Top was \$8.85 with bulk of good and choice 210 to 300 lb. butchers \$8.45 to \$8.80. Choice yearlings were lacking, best of this class available selling at \$15.25. Most beef steers sold from \$12 to \$14.50. Vealers were 50¢ higher, packers paying \$11 to \$12 mostly with a few at \$12.50 and above. Fat lambs, good and choice 78 to 89 lb. \$13.50 to \$13.90.

Closing price on 92 score butter at New York was 52¢.

Closing prices of No. 1 American Cheese at New York were: Fresh Single Daisies 28 $\frac{3}{4}$; Held Flats 29-29 $\frac{1}{2}$; Held Daisies 29 $\frac{1}{2}$; Held Young Americas 29-29 $\frac{1}{2}$.

Average price of Middling spot cotton in 10 designated markets advanced 30 points to 19.48¢ per lb. Sales of spot cotton reported in 10 designated markets amounted 15,865 bales. January future contracts to-day on the New York Cotton Exchange advanced 37 points to 19.62¢, and on the New Orleans Cotton Exchange they were up 27 points at 19.52¢. On the Chicago Board of Trade January futures advanced 38 points, closing at 19.63¢.

Grain prices quoted on December wheat at Chicago \$1.25 7/8; Minneapolis \$1.31 $\frac{3}{4}$; Kansas City \$1.21. December corn at Chicago 81 1/8¢; May corn 88 7/8¢; December oats at Chicago 51¢; and rye \$1.05 per bushel.

Maine sacked Green Mountain potatoes sold at \$1.90-\$2.25 per 100 pounds in eastern cities; \$1.45 f.o.b. Presque Isle. Wisconsin sacked Round Whites \$1.50-\$1.65 carlot sales in Chicago. New York Baldwin apples brought \$5.50-\$6 per barrel in New York City. Michigan Baldwins \$6-\$7 in Chicago; Jonathans \$8-\$9. Florida pointed type cabbage ranged \$1-\$1.50 per 1 $\frac{1}{2}$ -bushel hamper in the East. New York Danish type \$10-\$13 bulk per ton in distributing centers; \$7-\$8 f.o.b. Rochester. New York and midwestern sacked yellow onions ranged \$1.75-\$2.25 per 100 pounds in consuming centers. (Prepared by Bu. of Agr. Econ.).

DAILY DIGEST

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Section 1

December 29, 1927.

ECONOMIC SESSION
DISCUSSIONS The Washington Post to-day reports: "Tax and tariff revision, avoidance of financial deflation and an extension of the present system of tariff drawback privileges were yesterday urged as panaceas for agricultural distress, at a joint meeting of the American Economic and American Farm Economic Associations, holding four-day conventions at Washington, in connection with the American Council of Learned Societies. G.S. Wehrwein, of Northwestern University, favored the control of over-production of foodstuffs by the governmental buying, storing and marketing of food surpluses, but he was of the opinion that such a legislative enactment could not be agreed upon in time to help the present generation of farmers. Revision of the tariff so as to bring the prices of products of industry in line with farm prices, and a revision of taxation to relieve farmers of their heavy tax burden, were advocated by Wehrwein.

"The failure of distributing charges to decline when prices fall is primarily responsible for the present difficulties of agriculture, according to G.F. Warren of the department of agricultural economics and farm management of Cornell University. The food grown by American farmers is now retailing at prices as high as the average of all items in the cost of living, he said, indicating that there is no material surplus of food, but that farm prices are very low because distributing charges absorb a much greater proportion of the retail price than formerly.

"Dr. Charles L. Stewart, associate professor of economics of the University of Illinois, in pointing out that the power of agricultural exportables, such as corn, cotton, lard, pork, tobacco, rice and wheat, to command dutiable imports in exchange, has fallen since 1920 declared the tariff system can be operated so as to bring about a nearly equalized exchange.

"Agriculture now needs the same nurturing that it gave industry through the tariff for almost a century and a half, while farmers predominated in voting strength, Charles J. Brand, executive secretary of the National Fertilizer Association, told the American Political Science Association, which is also holding its convention in connection with the American Council of Learned Societies. The agricultural need is deep-seated, he said, and must be remedied if the Nation is to have a well-proportioned development of its whole structure in the future."

"For the first time in the history of capitalist society, the years 1924, 1925 and 1926 in the United States have shown an example of industrial prosperity at substantially constant general prices, Prof. Josef Schumpeter, of the University of Bonn and former Minister of Finance of Austria, told the Stale Money Association yesterday. The association is meeting in connection with sessions of the American Council of Learned societies. Dr. Arthur B. Adams, of the University of Oklahoma, told the association that 'the major cyclical fluctuations of the value of the dollar in the United States can and should be stabilized largely by regulating the rediscounting and open market operations of the Federal Reserve Banks.' He said that the United States' position as creditor of the world places it in a position to control the world value of gold."

Section 2

Agriculture An editorial in The Country Gentleman for January says: "With as an Industry this issue we close a series of four articles which has been called The New Agriculture for the reason that it has developed--and we think for the first time--the identity in fundamentals of business and agriculture; that the same principles apply to each; that agriculture is adopting these principles and finding its own career; that a new agriculture is already under way, in which it is a sign of stupidity to be poor....As the articles have pointed out, there is no essential difference between the farm and the factory. The farm is simply a division of the chemical industry, if we choose to regard it in an industrial way. And that is the only way in which it can be regarded if the desire be to increase the reward of effort in agriculture....The agricultural production of the country is with extraordinary rapidity dividing itself into four general classes, each of which is making its own way according to its own lights. These are: First, farming as a way of living. There are many people who desire to live in the country in the way that they have always lived, and who do not care to make the effort or to take the risks or who perhaps have not the capacity for larger affairs....Second, the farm as a venture in real estate. Just as many old merchants or manufacturers hang on simply in the hope of selling their realty and retiring, likewise many farmers, consciously or unconsciously, are more anxious to sell their land at a good price than to try to make it into a really paying farm. Third, the specialty farmer. He is in the business of raising one thing--of raising it better than his fellows--and of selling it as a specialty. He is both a producer and a salesman and he is in business in the fullest sense. Fourth, the specialized commodity farm. This is farming on industrial lines to the end of procuring, at a low cost, a large volume of a commodity whose grade will run so uniformly high that it may be considered a specialty. It will command the top price. The use of machinery enters very largely into the operations of the third and particularly of the fourth classes. Being organized on industrial principles, the problem is to do the job in the best way and at the lowest price. That usually means doing it in the machine way. There can be no continuing problem of surplus unless one produces merely for the sake of production. As in industry, the problem of overproduction will, except under extraordinary conditions, get around to a simple matter of ill-planned, low-grade, or high-cost production. One never suffers from producing too much of a good thing at a sufficiently low price. It is our thought that agriculture has already entered the industrial stage and can be best aided by helping to promote its industrial progress...."

Argentine A Buenos Aires dispatch Dec. 24 says: "The high cost of grain Wheat Sacks sacks, which has advanced 21¢ a piece of late, is alarming farmers in the Argentine where all grain is sacked for shipment. Luis Luhau, the president of the 'Sociedad Rural,' the largest agricultural society of the River Plate Republic, called a meeting of manufacturers of sacks to determine the reasons for the price advance and to find means of arresting it. The discussion during the meeting brought out the fact that Argentine imports of sack cloth had sharply increased during the last few years, advancing from 120,000 bales in 1925 to 153,000 bales in 1926 and 213,000 bales in 1927. It was also found that the domestic jute production had lagged and failed to keep step

with the steadily increasing demand. To supply better marketing facilities for domestic jute, the 'Sociedad Rural' will create a central jute market in Argentina."

Canadian Co- An editorial in 'The Grain Growers' Guide' (Winnipeg) for operation December 10 says: "It is doubtful if the world affords a more outstanding example of commercial success in farmers' organizations than the record of the United Grain Growers Limited, which held its twenty-first annual meeting in Winnipeg a couple of weeks ago....Not only has the U.G.G. weathered the storm for 21 years but it has gained steadily in strength until to-day it ranks with the most successful business organizations of any kind in Canada. While the profits earned for the shareholders of the U.G.G. have been highly satisfactory yet profit earning has not been the greatest achievement of this company. Through it the farmers of the prairies have demonstrated their ability to conduct successfully a large business enterprise...; Moreover this achievement on the part of farmers has commanded respect throughout the world and has greatly increased the influence of farmers in national affairs. Aside from the marketing of grain the service rendered by the U.G.G. has been of a striking character and has had a profound influence in the development of this new land. In the distribution of supplies the U.G.G. has been a factor in regulating prices and standardizing service....The financial assistance and cooperation of the U.G.G. with the three provincial wheat pools in their early days constituted a very considerable factor in getting these great grain handling organizations away to a good start. In giving all round service in this great community the U.G.G. has had an excellent record....While the pools have made great progress and have developed rapidly the larger portion of prairie grain is still marketed outside the pools. Of the 1926 crop there was inspected in the western division a total of 335,500,000 bushels of wheat of which the pools handled 179,950,000 being 53.6 per cent as compared with 52 per cent of the 1925 crop. There was consequently a total of 153,549,758 bushels of non-pool wheat marketed. Of coarse grains in the 1926 crop there was a total of 30,365,000 bushels marketed of which the pools handled 21,041,000 or 26 per cent. The balance of the coarse grains totaling 9,523,000 bushels was marketed outside the pools. Thus the grand total of the 1926 crop marketed through the pools was approximately 201,000,000 bushels, leaving 215,000,000 to be marketed through non-pool channels. It was in order to render service to the farmers who market their grain outside the pools as well as through the pools that the delegates of the U.G.G. felt that their own company should still continue in business and to develop its service side by side with the pools. The Guide has repeatedly expressed the view that the interests of the farmers of Western Canada will best be served by having their grain marketed through farmer-owned institutions. There are but two of these institutions in the field to-day, namely the three provincial pools marketing almost one-half the total crop and the U.G.G. which, next to the pools, is the largest grain handling company....The U.G.G. is giving highly important service, both to pool and non-pool grain growers, and the ideal system would be to have the U.G.G. and the pools develop together so that the great bulk of prairie grain would be marketed through farmer-owned institutions."

Farm Engineering Test the College of Engineering, University of Michigan, is preparing for a pioneering future. He has purchased a farm of more than 1,200 acres in North County, Ga., where he will make experiments in agricultural engineering. Dean Cooley says: "The engineers have created much of the wealth of the world. They have been largely responsible for the gathering of millions of men and women in the cities. They have built railroads, skyscrapers and machines, but they have devoted little time to agriculture. I think it is time that some of their inventive genius should be turned in that direction."

Farm Profits An editorial in The Wall Street Journal for Dec. 24 says: "Santa Claus will slip \$8,428,625,000 into the agricultural stocking this Christmas. A year ago times were hard, particularly in the cotton States, and he could give but \$7,793,480,000. Compared with a year ago, farmers have reason to look upon this as a joyous Christmas. These figures are the official estimates of the crops produced, exclusive of livestock and animal products. No estimate has yet been made of the value of the livestock for the past year. But if the value of the crops fed to livestock be deducted, there should be approximately a balance of \$2,000,000,000 from this branch of farming. Therefore, agriculture, with approximately $10\frac{1}{2}$ billion dollars of new wealth created in 1927, can feel that it has had a fairly good year. It is true that this season's production of crops does not represent anything like the money value of those of 1925, when the total was about \$1,000,000,000 more than this year. But we have but to look back to the spring and early summer of this season, when the outlook for some crops, particularly corn, was discouraging, to see that we have cause to feel that agriculture has done extremely well....This year a farm dollar goes farther than a year ago. The commodity index of the Bureau of Labor shows that the purchasing power of the farm dollar is steadily approaching parity. On the basis of the purchasing power of the dollar of a year ago and to-day, the crops of this year, exclusive of animal products, if exchanged for nonagricultural goods would buy a million dollars more than a year ago. So, measured by real value, Santa Claus is putting far more into the farm stocking than a year ago."

Research The establishment in Washington of the Brookings Institution, Institution already endowed at several million dollars, with the objective of Combine exhaustive studies in many fields of the "humanistic sciences" and political, industrial and business economy, was announced Dec. 22 by Harold G. Moulton, director of the Institute of Economics. The new institution, the amalgamation of the Institute of Economics, the Institute for Government Research and the Robert Brookings School of Economics and Government, is designed to cover eventually the whole range of the humanistic or social sciences, providing facilities for research and for advanced training in economics, Government administration, political relations, history, law and social organization," Doctor Moulton said. (Press, Dec. 23.)

December 29, 1927.

Section 3
MARKET QUOTATIONS

Farm Products Dec. 28: Hog trade opened around steady at Tuesday's best prices and closed weak. Top was \$8.85. Bulk, good and choice, \$8.50 to \$8.80. Most pigs \$7.50. Fat she stock strong to 25¢ higher, stockers and feeders firm to higher, bulls strong to 10¢ higher and vealers steady. Best weighty steers \$17.25 and best yearlings \$15. Bulk of beef steers \$12 to \$15. Best light and handyweight lambs topped to shippers \$13.90. Bulk good and choice 78 to 90 lbs. lambs \$13 to \$13.75. Sheep were steady, fat ewes \$6 to \$7. Feeding lambs were unchanged with good 68 lb. kinds at \$12.50.

Maine sacked Green Mountain potatoes sold at \$1.90-\$2.25 per 100 pounds in eastern cities; \$1.45-\$1.50 f.o.b. Presque Isle. Northern sacked Round Whites \$1.50-\$1.65 carlot sales in Chicago; \$1.30-\$1.35 f.o.b. New York and midwestern yellow onions closed at \$1.75-\$2.40 sacked per 100 pounds in consuming centers; \$1.85-\$2.05 f.o.b. Florida pointed type cabbage mostly around \$1.50-\$1.75 per $1\frac{1}{2}$ -bushel hamper in a few eastern cities. New York Danish type \$10-\$18 bulk per ton in terminal markets; \$7-\$8 f.o.b. Rochester. New York Baldwin apples \$6.50 per barrel in New York City; McIntosh \$9-\$10.

Price of 92 score butter at New York 52¢.

Prices of No.1 American Cheese at New York: Fresh Single Daisies $28\frac{3}{4}\%$; Held Flats $29-29\frac{1}{2}\%$; Single Daisies 29¢; Young Americas $29-29\frac{1}{2}\%$.

Average price of Middling spot cotton in 10 designated markets declined 11 points to 19 \cdot 37¢ per lb. On the corresponding day in 1926 the price stood at 12.26¢. January future contracts on the New York Cotton Exchange declined 13 points to 19.49¢, and on the New Orleans Cotton Exchange they were down 2 points at 19.50¢. On the Chicago Board of Trade January future contracts closed at 19.50¢ against 19.63¢ yesterday.

Grain prices quoted: December wheat at Chicago \$1.27 1/8, Minneapolis \$1.22 $\frac{1}{4}$, Kansas City \$1.21 3/8. May wheat \$1.28 5/8. Corn 82 $\frac{1}{4}\%$; oats 51 3/8¢; rye \$1.05 $\frac{1}{4}$. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVII, No. 76

Section 1

December 30, 1927.

MELLON ON
INCOME TAX

The press to-day reports that after a conference yesterday with President Coolidge, Secretary Mellon in a letter to Senator Smoot, Republican chairman of the Senate finance committee, recommended that the tax reduction bill be held up until after March 15, when the first quarterly installment of income-tax payments will be made, so that accurate data about future revenues could be obtained. The letter was in reply to one from Senator Smoot. Mr. Mellon's words carried the threat that all tax reduction might be wiped out by Presidential veto if Congress persisted in passing a bill calling for a reduction substantially larger than the Treasury believes to be safe.

GOVERNMENT REORGANIZATION URGED

The press to-day reports: "Administrative reorganization of the Government should be effected by gradual steps taken in a well-designed plan of general reorganization, according to the consensus of opinion expressed yesterday at a round-table discussion by the American Political Science Association, held at Washington. One of the most important phases of the proposed reorganization has to do with the engineering, constructional and architectural activities of the Federal Government, L.W. Wallace, executive secretary of the American Engineering Council, told the meeting. There is material weakness in the present administration of these activities, he said, pointing out that some 26 subdivisions of the Government carry on these activities on more or less elaborate scales. He also called attention to the fact that there are fourteen subdivisions that have authority for and receive appropriations for the building of highways. This has led to ineffectiveness and unnecessary expenditures, he declared. Although opposition is expected from the War Department and the Department of Agriculture, Wallace said that passage of the Wyant bill to transfer those departments' engineering activities to the Department of the Interior would be a forward step in reorganization...."

SCIENCE ASSOCIATION
MEETING

A Nashville, Tenn., dispatch to-day reports that Henry Fairfield Osborn, president of the American Museum of Natural History, New York, was elected president of the American Association for the Advancement of Science, now in session at Nashville. An outstanding event of yesterday's session, according to the report, was a symposium on the problems presented by the Mississippi floods. Dr. Isaac M. Cline, a Weather Bureau forecaster stationed in the New Orleans center, stated that "high flood stages in the river channel have shown a distinctly increased frequency in the last half century." He attributed the recent increase in these stages to stronger and higher levees. Crevasses, however, are less frequent than they were. In 1882, for example, there were 284 and in 1927, despite the great volume of water, only ten. On the other hand stronger and higher levees have increased the danger of disastrous overland floods when breaks do occur, because of the increased head of water within the levees. "Hence forecasting of overland floods is of greater importance than is the forecasting of channel floods," said Doctor Cline.

Section 2

Agricultural An editorial in The Wall Street Journal for Dec. 29 says:
Conditions "Why is this?" asks a correspondent of one of the New York dailies.

His 'this' is in the alleged state of prosperity for the city and widespread depression for the farm. His statement of facts to support this conclusion follows: 'With the United States Department of Agriculture's figures showing that despite the amazing prosperity of the financial, banking, manufacturing and transportation interests, more than 3 million persons have been forced to leave the rural districts since 1920 because they were unable to get a living out of the land, doesn't it seem as though there was something radically wrong in the relations of the Nation's basic industry with the rest of the country's activities? The value of farm lands decreased by billions of dollars since 1920. The value of city lots correspondingly increased. Prosperity for the city; widespread depression for the farmer. Why is this thusly?' The answer is simple. The inquirer has mixed the truth with error, and drawn therefrom wrong conclusions. The value of farm lands has not decreased by billions of dollars since 1920. If ever there was a hot-air bubble of inflation it was the land boom during and immediately following the war. Due to the influence of the war, hogs sold in Chicago up to \$23.60 per hundred pounds, corn \$2.56, oats \$1.29, and wheat \$3.50 a bushel. Evidently the farmers thought there was no end to prices like these, far beyond the real value of the commodities. They raced for land, and bid prices up on themselves, double and sometimes treble what they could possibly be worth. The pricking of that bubble and the letting out of the inflation was not a decrease in the value of the lands. As to the 3 million people who have left the farms since 1920, the answer is that agriculture is overextended. We raise more than we can consume and are forced to find markets abroad in competition with other producers. The situation is like that in the soft coal industry, where there are too many mines opened, with a capacity far beyond demand, and the result is miners work only about half time. Marginal mines and marginal lands should not be put into production when they can not be run at a profit...."

Agricultural An editorial in The Country Gentleman for January says: "Two Reports separate reports, each attempting to tell what is the matter with agriculture and to suggest appropriate remedies, were made public during the recent month of November. The Business Men's Commission on Agriculture, sponsored by the Chamber of Commerce of the United States and the National Industrial Conference Board, obtained perhaps the wider publicity, but the findings of the special committee of the Association of Land Grant Colleges contained the greater amount of common sense. The Business Men's Commission...takes little cognizance of the constructive changes that are now under way in agriculture. On the other hand it seems to regret that the days of farmers' individual self-sufficiency which existed in 1820 are gone, and rather specifically warns against industrializing agriculture, with the peculiar reasoning that 'widely adopted improvements may mean for a considerable period less rather than greater prosperity.' Which is tommyrot.

"The Land Grant College committee report is remarkable in that it arrives at a number of sane conclusions after a good deal of very bad reasoning. The first chapter is devoted largely to specious figures of 'average farm income,' and to various statements of worn-out theory, such as 'the demand for most farm products can not be



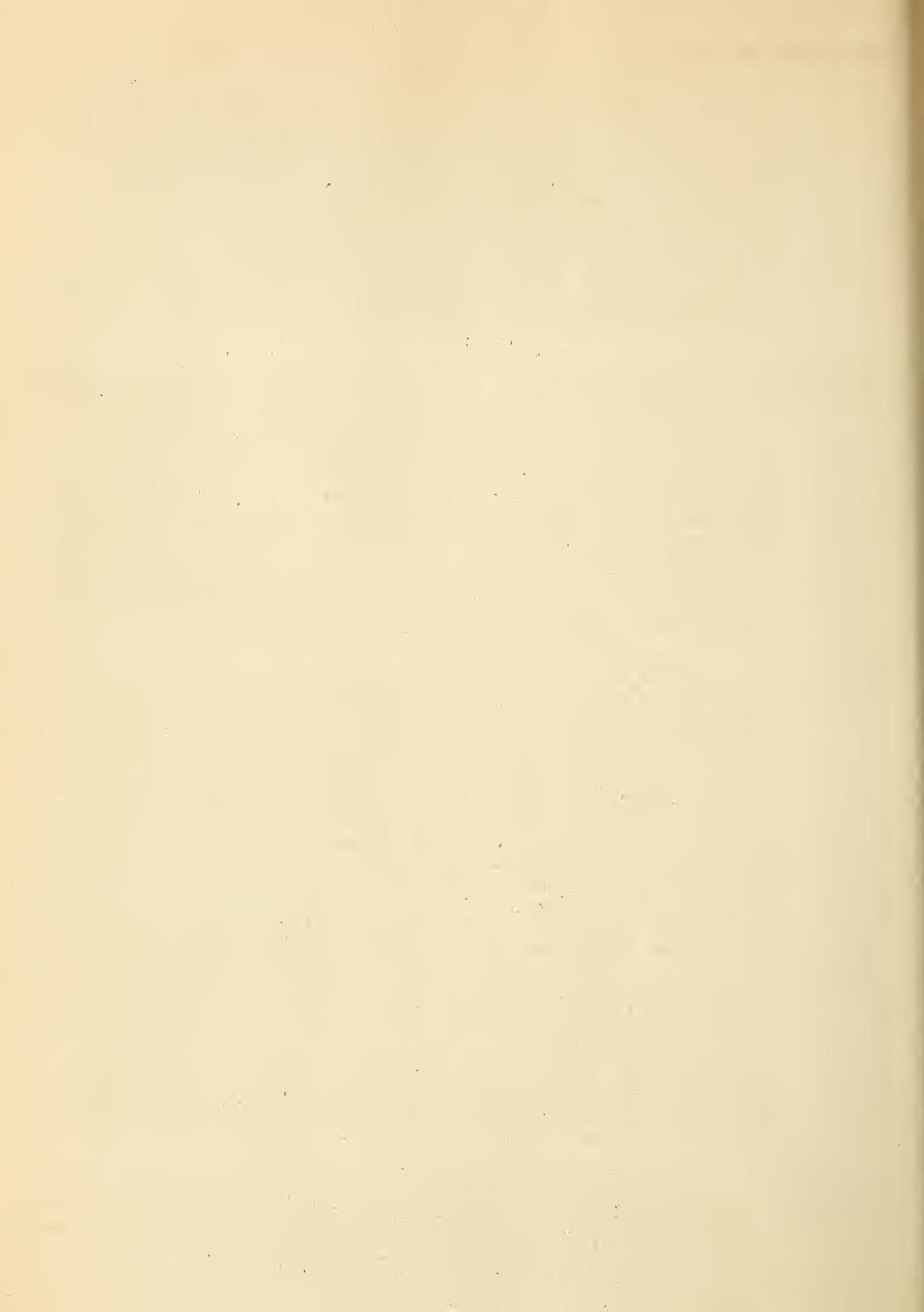
materially expanded.' But evidently more forward-looking and clear-thinking members of the committee wrote the succeeding chapters. Under the heading 'Individual Farm Adjustments' are four recommendations of outstanding merit: First, that by cost accounting the farmer discovers why his business is profitable or unprofitable, in order to arrive at a basis for intelligent readjustment; second, that aggressive farmers acquire enough land to provide adequate income; third, that specialization in commercial production will be far more profitable than diversification; and fourth, that production costs be reduced by study and application of 'the engineering phases of farming.' The committee also came to the conclusions that: There is no need at present to develop more land for agricultural use...."

Food Trades Institute The press of Dec. 29 reports that an institute on food distribution modeled on the lines of those of the steel, cotton and other industries has been under discussion for a number of months and is now in definite process of formation, according to a statement made to the New York press of Dec. 28 by Gordon C. Corbaley, president of the Meinrath-Corbaley Co. of Seattle. The plan is to gather a group of the most important men in the different branches of the food trades. This group will assume the responsibility of supervising a technical staff engaged in assembling and effectively distributing such facts in food distribution and food markets as will materially help stabilize conditions. More than 300 food manufacturers, wholesale grocers, chain store proprietors, food brokers and publishers have manifested an interest in this proposition, said Mr. Corbaley.

French Perfumery

Perfumery, a world renowned branch of French industry, has since the war steadily increased in importance as an item of the country's exports. According to figures compiled by the "Exportateur Francais" and transmitted to the Bankers Trust Company of New York by its French information service, during 1926 French exports of perfumery containing no alcohol, such as soap, cream, powder, etc., totaled 91,000 metric tons, while exports of those with alcohol totaled 31,750 metric tons. These figures show a marked increase over 1912, the pre-war record year, when these exports had been respectively 32,500 and 18,500 metric tons. Paris and the Seine department, Grasse and the Maritime Alps department are the two principal perfumery producing centers. Grasse is also the center of special flower growing for perfumery, and before the war this industry comprised, in the Maritime Alps alone, 4,500 concerns employing 190,000 workers and covering an area of 5,000 hectares, with an annual yield estimated at 46 million francs. At that time the total value of flowers and plants gathered in the Maritime Alps and used for perfumery was estimated at 9,450,000 francs yearly. It is estimated that during favorable years the flower crops amount to $2\frac{1}{2}$ or 3 million kilograms orange blossom, about $2\frac{1}{2}$ million kilograms roses, 600,000 kilograms jessamine, from 40 to 60 thousand kilograms cassia flowers, from 50 to 60 thousand kilograms mimosa; from 150 to 200 thousand kilograms tuberoses and from 10 to 20 thousand kilograms violets.

Lindbergh on International Aviation Col. Charles A. Lindbergh, in his letter from Guatemala City to The New York Times Dec. 29 says: "...The possibilities of aviation in creating better international relations are great. Such a flight as this is merely a forerunner of what will occur when air



lines are established to make communication between all the countries on the American continents a matter of a few hours or days, instead of weeks. It is to be hoped that air lines between Mexico and the United States will soon be established....An air route to Mexico should not present any unusual difficulties....Beyond Mexico City, however, conditions are entirely different, and under no consideration should the rest of my flight south be regarded as perfectly safe....And a possible mishap should not be looked upon as having bearing on the safety of commercial aviation over established air routes such as exist in the United States. I want to emphasize this strongly, because I thoroughly realize that a mishap might be looked upon as a blow to commercial flying. It should not be...."

State University Functions Utilization of State universities as the best available agencies for controlling the development of natural resources was recommended Dec. 28, at Nashville, Tenn., by Wilbur A. Nelson, State geologist of Virginia, and Corcoran professor of geology in the University of Virginia. Addressing the engineering section of the American Association for the Advancement of Science, he declared that, "for successful development of any kind, one needs continuity of executive thought followed by continuity of executive action," such as is provided for the work of great corporations. "In the future development of this country, organized scientific research fostered by State and Government agencies should play an important part," he said. "A State, to be successful in developing and protecting its rights, must compete on as nearly an equal basis as possible with the great business interests of the country. When our State universities are utilized to the utmost in studying the needs of the State--outside of purely educational problems--when their specialists in science, in natural philosophy, and in moral philosophy became an integral part of the State in formulating State thought, then will our State Universities occupy the place they should in the structure of our political State Government. Then will the State through such executives in the State university whose terms of office do not depend upon political change be able to compete on a fairly equal basis with great corporations that take and keep only the public rights the people give them." (Press, Dec. 29.)

Section 3

Department of Agriculture An editorial in Ohio Stockman and Farmer for Dec. 31 says: "Secretary Jardine deserves credit for making a public statement 1 about the cattle situation for the purpose of allaying the present and preventing further unfair agitation detrimental to the beef producer. The careful reader will note that he says: 'Consequently the situation was allowed to work itself out through the uncontrolled action of economic forces with the result that the reduction in herds went too far,' etc. How else could the situation work itself out than through 'the uncontrolled action' of economic forces? For who could control those economic forces? Nobody, no organization, no government can control them or should attempt to do so, for more harm than good has come out of every experiment of that nature in all the world's economic history. What we should strive to do is to prevent interference of all kinds with the action of economic forces, which make readjustments better and quicker than they can be made in any other way."

Department of An editorial in Ohio Farmer for Dec. 17 says: "Typical of the Agriculture research activities of the United States Department of Agriculture

2 is the report of the Bureau of Plant Industry on the successful cultivation of santonin in Oregon and California. Hog raisers know that santonin is an important worm remedy and that heretofore it has been high in price. Not many knew though that the supply used in America came largely from Turkestan and that its high price was the result of some sort of control by the producers in that far off country. Now that it has been demonstrated that it grows 'exceptionally well' in California and Oregon a few more years may see an increase in the domestic supply, reduced prices, greatly increased use and an important income crop for farmers in these Western States. All this will be to the benefit of American farmers and a credit to the research activities of the Department of Agriculture. Research work, properly conducted, is an investment rather than an expense and there are many other examples that might be cited to prove this."

Section 4 MARKET QUOTATIONS

Farm Products Dec. 29: Top price on hogs \$8.80, mostly \$8.50 to \$8.55 for 160 to 200 lbs. Vealers 50¢ higher. Best slaughter steer \$18 with few loads of good grade \$16.50 to \$17.25. Fat lambs 15¢ to 25¢ lower. Choice handyweights \$13.85 with bulk of 90 to 98 lb. \$12.25 to \$13. Good medium weight feeders \$12.50.

Maine sacked Green Mountain potatoes sold at \$1.90-\$2.25 per 100 pounds in eastern cities; \$1.45-\$1.50 f.o.b. Presque Isle. Wisconsin sacked Round Whites sold at \$1.50-\$1.65 on the Chicago carlot market; very few sales at \$1.50 f.o.b. Waupaca. Florida pointed type cabbage brought \$1.50-\$1.75 per 1½-bushel hamper in city markets. New York Danish type firm at \$12-\$16 bulk per ton in terminal markets; \$7-\$8 f.o.b. Rochester. New York and midwestern yellow onions ranged \$1.75-\$2.40 sacked per 100 pounds in consuming centers; \$2-\$2.10 f.o.b. Virginia York Imperial apples ranged \$6.25-\$6.50 per barrel in New York City; McIntosh \$9-\$11.

Closing price of 92 score butter at New York 52¢.

Closing prices of No.1 American cheese at New York were: Fresh Single Daisies 28½¢; Held Flats 29-29½¢; Single Daisies 29¢; Young Americas 29-29½¢.

Average price of Middling spot cotton in 10 designated markets advanced 11 points to 19.48¢ per lb. On the corresponding day in 1926 the price stood at 12.36¢. January future contracts on the New York Cotton Exchange advanced 11 points to 19.60¢ and on the New Orleans Cotton Exchange they were up 10 points at 19.60¢. On the Chicago Board of Trade January future contracts closed at 19.74¢ against 19.50¢ yesterday.

Grain prices quoted: December wheat at Chicago \$1.26½; Minneapolis \$1.23½; Kansas City \$1.22. May wheat \$1.30 3/8; and July \$1.26 3/8. December corn 81½¢; oats, unchanged at 51 3/8¢; and rye \$1.05½. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

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Section 1

December 31, 1927.

THE PRESIDENT
ON TAX BILL

President Coolidge took the position yesterday that the administration did not suggest delaying the passage of the tax bill until March 15, but would welcome its immediate adoption if the reduction was kept within \$225,000,000, as recommended by Secretary Mellon. In the opinion of President Coolidge, Mr. Mellon, in his letter to Senator Smoot, chairman of the Senate finance committee, sought to explain what would happen if the tax bill were not passed until after the first quarterly payments were due on March 15 and did not intend to make a distinct suggestion that there should be a delay. The President holds that the question of postponing action on the bill is a matter for Congress to decide. The attitude of the administration is for prompt action along the line recommended by the Treasury Department. (Press, Dec. 31.)

MELLON ON BUSINESS
YEAR

The Secretary of the Treasury in a statement to the Associated Press to-day says: "During the year past the country has given unmistakable evidence of the fact that underlying conditions are sound. While there has been some recession in business activity from the high levels of 1926, the growth of the country has proceeded along normal lines, and great progress has been made even in the face of several adverse circumstances. Notwithstanding the fact that commodity prices continued to fall throughout the year, a large volume of business was done, which was, in itself, an unusual circumstance and showed the ability of business to introduce economies in production and to exercise the necessary caution by avoiding the accumulation of excessive inventories. It is this adaptability on the part of American business which is one of the greatest causes for confidence in the future. Throughout the year employment was steady, wages were maintained at a high level, living costs were lowered, due to declining commodity prices, and the purchasing power of farm products enhanced, as measured in terms of nonagricultural products. All of this resulted in a sustained purchasing power on the part of the public generally, which contributed to the stability of business and industry. Interest rates declined on industrial and Government securities and also on farm issues, while banks showed large increases in loans and investments and ample credit was available for the legitimate needs both of this country and foreign borrowers...."

VIRGINIA FARMING
REPORT

The Virginia State department of agriculture, in a review of agricultural conditions prepared for the Associated Press to-day says: "While total values show slight variations from the year before, the distribution of values was different with its corresponding effect in the different sections of the State, some sections feeling the pinch of reduction in annual income, while others are in a better financial condition. Better financial conditions were brought about in some parts of the State by better prices, and in others by foresight in reducing acreage...."

Section 2

British Meat Supplies An editorial in The Field (London) for Dec. 8 says: "Imported beef has become a most important factor in determining the trend of the meat markets and the British farmer feels acutely the effects of any changes in the price and volume of imported supplies. Much has been heard lately of the 'Argentine meat war,' which appears to be a squabble between the Argentine meat combines over the quantities of chilled beef they are each entitled to send to Smithfield and other British markets. One result of the 'war' has been to flood the meat markets with cheap imported beef and the values of home-bred beef stock have been depreciated seriously in consequence. Foreign beef is, unfortunately, the dominant factor in the London meat markets. Recently published figures show that no less than 80.5 per cent of Smithfield's beef supplies is drawn from foreign countries; 14.5 per cent is home-bred, and 5 per cent comes from the British Dominions. The market for fat stock has been depressed for some time, but there may be consolation to be found in the thought that the Argentine meat companies can not afford to continue forever to dump their product on the British market at a loss. The best of home-killed beef is superior to the best of the Argentine chilled beef, but the demand for home produce has suffered by the cut rates at which imported supplies have been offered to butchers. As regards mutton and lamb supplies at Smithfield, the imported product is also supreme in point of quantity; 58.2 per cent comes from the British Dominions; 23.3 per cent is home-grown, and 18.5 per cent comes from foreign countries. The British producer can hardly hope to reverse the proportion of home-killed and imported meat at Smithfield...."

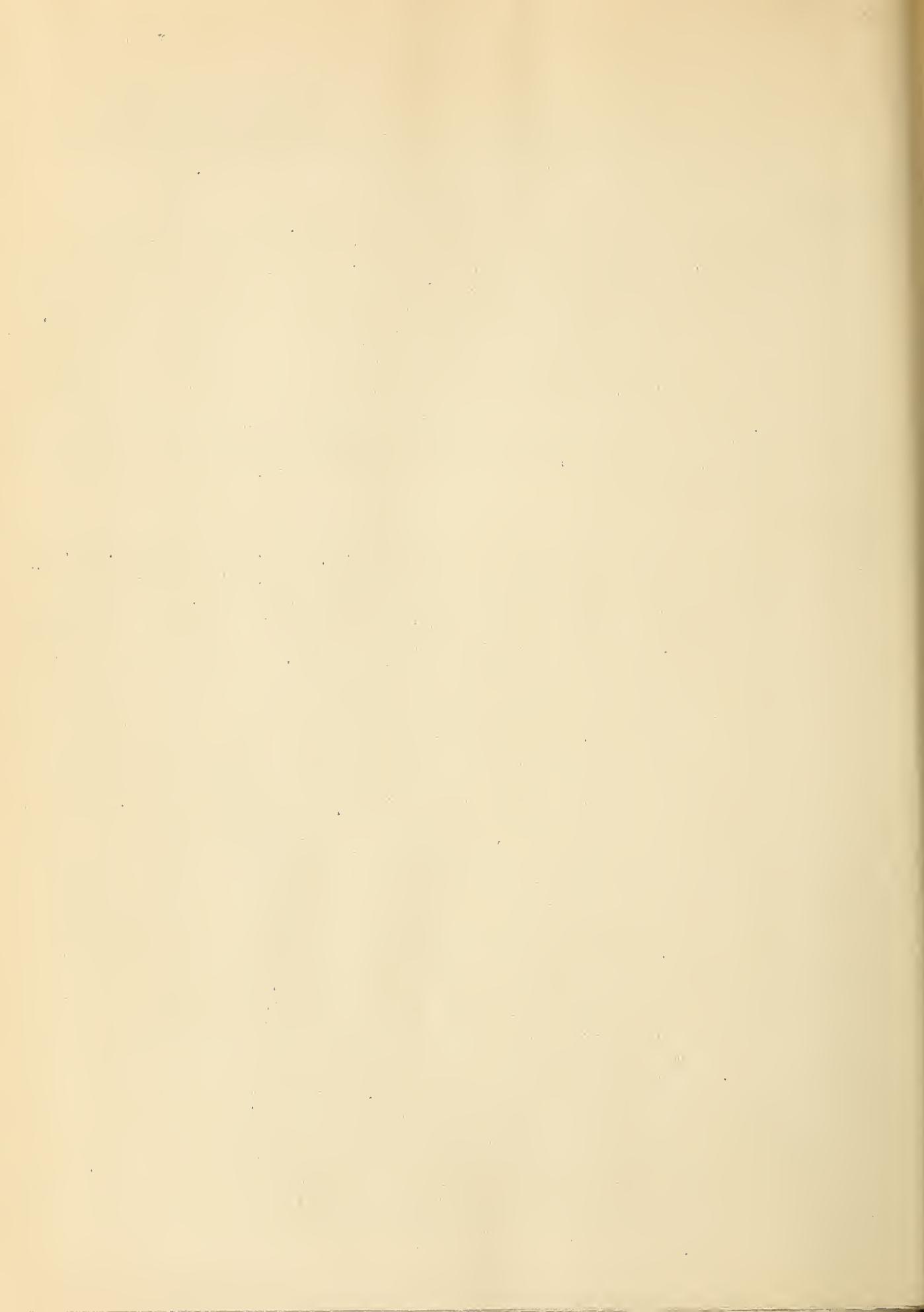
California Fruit Profits "In round numbers, \$120,000,000 returned to the State for 70,600 carloads of California citrus fruits, largest crop and most money in history, is the information made public by General Manager E. G. Dezell of the California Fruit Growers' Exchange, in his annual report for the year ending October 31. Cooperative marketing as practiced by the 11,000 growers comprising the exchange made an unprecedented record. Figures for the previous record year of 1925-26 were exceeded by almost \$22,000,000 in returns and 7,000 carloads greater shipments. When freight and refrigeration charges of \$41,500,000 are added, the delivered carload value of this crop reaches the staggering figure of over \$161,000,000 based on exchange returns. 'Although the Florida crop suffered severe damage from hurricane and frost, the total supply of oranges and grapefruit in the United States and Canada was approximately 10,000 cars greater than in the preceding season, 17,000 cars more than in 1924-25, and 4,000 cars in excess of the previous largest supply of 1923-24, when exchange oranges averaged \$1 per box less than in 1926-27,' said Mr. Dezell. The increase on the United States orange and grapefruit supply in the last 15 years has been five times as rapid as the gain in population...." (Better Fruit, December.)

Chicago Board of Trade Rules Members of the Chicago Board of Trade Dec. 28 voted on seven proposed amendments to their rules and passed five of them. A proposal to eliminate the nominating committee was defeated, 410 to 282, while another to raise the commission on 1,000 bushel lots to 3/8 cent was beaten, 291 to 282, a margin of nine votes. Directors were given control over partnerships and corporations of members with

nonmembers by 606 to 72. A change covering foreign rate of commission was accepted by 489 to 76; the hours for voting at the annual election were extended to 2:30 p.m. by a vote of 632 to 50; elimination of the initial fee was voted 605 to 79 and increasing the retirement price of memberships to \$7,000, won 607 to 82. (Chic. Jour. of Commerce, Dec. 29.)

Cooperation Institute An editorial in The Farmer (St. Paul) for Dec. 17 says: "At a meeting of the trustees of the American Institute of Cooperation, held in Chicago recently, it was voted to hold the next session of the institute in the State of California. It will be remembered that the three preceding sessions have been held in Pennsylvania, Minnesota, and Illinois in the order named. This great clearing house for information about cooperative marketing has invariably left behind each session a definite influence that has proven very helpful to the cooperative movement. The Institute of Cooperation is the closest approach in this country to the so-called Folk Schools which have meant so much in education to the Danish cooperative movement. Education as to technique and education as to the underlying principles of cooperation are essential needs if the cooperative movement is to grow in this country."

Florida Citrus Plan An editorial in Florida Times-Union for Dec. 22 says: "Florida citrus fruit growers, during some months past, have heard a very great deal about what is known as the clearing house plan, proposed for adoption by growers and shippers of Florida citrus fruits, in order that more of profit may be derived in the handling of this very valuable product of Florida groves, through businesslike ways of marketing--grading and packing being involved, of course. This plan was worked out, or at least outlined months ago when a conference was held in Washington, called at the instance of Secretary of Agriculture Jardine and to which representatives of the Florida citrus industry were invited. Out of the Washington conference came what was designated as the clearing house plan....The Citrus Industry, a semi-official organ of the Florida citrus industry, in a recent article, says: 'At last it appears that the prolonged effort of the Florida citrus interests to organize a citrus clearing house is on the road to successful achievement. The recent action of the Fruitmen's Club at a meeting in Orlando in unanimously accepting the outline of a charter and by-laws of the clearing house committee seems to give assurance of early operation of the clearing house plan. All that now remains to be done is the unraveling of any possible technicalities in the plan as formulated, and an array of legal talent is now engaged in this work. This appears like very good advice. Assuredly, some definite and positive action needs to be taken by the citrus fruit growers of this State if their great industry is to be preserved and its value, to themselves as well as to consumers of citrus fruit, is to be enhanced... There is too much money at stake in the Florida citrus industry to permit it, or any portion thereof, to be wasted. The same is true with reference to time and efforts given and made for the development of the Florida citrus industry to its present extensive scale. Production problems, practically, have been solved; it now remains that considerable attention should be given to the disposal end of the citrus fruit enterprise, to the proper handling and marketing in order that the most of income may be derived on investments of money, time and labor....'"



Ousley on An editorial in Illinois Agricultural Association Record for Agricultural December states that Hon. Clarence Ousley, Assistant Secretary of Problem Agriculture during the Wilson administration, a prominent newspaper man, and now director of the Texas Safe Farming Association of Dallas, will present a southerner's viewpoint on the national agricultural problem at the annual Farm Bureau meetings, in Woodford, McLean, and Iroquois Counties, and before a farmer-business men's gathering in DeKalb County. The dates are Dec. 28, 29, 30, 31 respectively.

Mr. Ousley is not only a student of economics, he is a student of Government. He represents an organization made up of Texas business men. Therefore, his advocacy of a surplus control plan for agricultural products is doubly significant. Colonel Ousley has a way of saying things that cut deep. He is a master linguist. He doesn't mince words. He impresses you with the idea that he knows what he's talking about. He is a believer in the possibilities of an economic and political alliance between the South and West. The four counties in which he will speak are to be congratulated in securing such an outstanding man."

Vice President An editorial entitled "Uncle Sam's Books" in Chicago Journal of Dawes on Commerce for Dec. 29 says: "In the December number of the American Bar Government Association Journal, the Vice President reviews the book, 'The National Accounting Budget System; with Suggestions for Its Improvement,' by W.F. Willoughby, Director of the Institute for Government Research. In the course of that review the Vice President points out that the Comptroller General has the opportunity and the duty of inaugurating 'a reform in governmental bookkeeping of the United States which would at once make it a model for the world.' An 'archaic and ridiculous system' of governmental bookkeeping has grown up, says the Vice President... 'To properly carry on a business one must know it,' says the Vice President, 'and to know it one must have proper accounting. The bookkeeping methods of the different departments are still decentralized... The present system of governmental bookkeeping would not be tolerated for a day in a properly conducted private business enterprise.' Its effect is to keep the President and the Director of the Budget uninformed of 'the relative operating efficiency and cost of the departments.' Until it is reformed, 'all business of the Government will be conducted under a serious handicap!...'"

Section 3 MARKET QUOTATIONS

Farm Products Dec. 30; January future contracts on the New York Cotton Exchange advanced 1 point to 19.61¢, and on the New Orleans Cotton Exchange they were up 7 points, closing at 19.67¢. On the Chicago Board of Trade January future contracts declined 6 points to 19.68¢. The average price of Middling spot cotton in 10 designated markets advanced 3 points to 19.51¢ per lb. On the same day in 1926 the price stood at 12.29¢.

The grain market ruled dull with demand for most grains inactive. Prices at the close of the market were slightly lower than yesterday's close. December wheat closed at Chicago at \$1.26 3/8, at Minneapolis \$1.24, Kansas City \$1.21 3/4. May wheat closed at Chicago at \$1.30 1/4 and July at \$1.26 1/4. December corn closed 1/8¢ lower at 81 3/8¢. December oats were also 1/8¢ lower, closing at 51 1/4¢. December rye closed at \$1.06 1/2. (Prepared by Bu. of Agr. Econ.)

